Undershaw Education Trust

England & Wales · Charity number 1039622

Details

Other names	C S B SELF HELP FUND LIMITED, STEPPING STONES SCHOOL HINDHEAD LIMITED, CSB SELF HELP FUND / STEPPING STONES SCHOOL / NATIONAL HEMIPLEGIA ORGANISATION
Status	Registered
Legal form	Charitable company
Company number	02889781
Registered	1994-07-22
Register	View on the Charity Commission register

Contact

Address	Stepping Stones School Undershaw Portsmouth Road Hindhead GU26 6AQ
Phone	01428 609953
Email	businessmanager@steppingstones.org.uk
Website	www.steppingstones.org.uk

Activities

Objects: 1(A) THE ADVANCEMENT AND PROMOTION OF HEALTH THE RELIEF OF POVERTY AND THE ADVANCEMENT OF EDUCATION IN THE UNITED KINGDOM AND ELSEWHERE (B) TO ASSIST OTHER ESTABLISHED CHATITIES WITH SIMILAR OBJECTS TO THE COMPANY IN THE UNITED KINGDOM AND ELSEWHERE

Activities: Advancement & promotion of health, relief of poverty, advancement of education to special needs children.

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Classification

- **How:** Provides Services
- **What:** Education/training, Disability, The Prevention Or Relief Of Poverty
- **Who:** Children/young People, People With Disabilities, Other Defined Groups

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£4,278,459	£3,827,849	£2,071,511	67
2024-08-31	£3,592,620	£3,666,247	£1,620,901	74
2023-08-31	£3,947,158	£3,582,491	£1,694,528	75
2022-08-31	£3,315,806	£3,136,536	£1,329,861	75
2021-08-31	£3,411,339	£3,253,098	£1,150,591	75

Trustees

Name	Role	Appointed
Claire Felicia Cookson		2019-02-01
Clare Chesworth		2023-09-26
Joanne PICKFORD		2014-11-12
Jonathan Robards		2023-10-10
Karen Heath		2021-09-01
Leilah Sheridan		2023-09-26
Nicky Birchwood		2024-07-10
Oliver Jones		2023-09-26
PHILIPPA CHARLES		2025-01-06
Tracy Stone		2023-09-26
William Karlsen		2021-09-01

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Undershaw Education Trust

England & Wales - Charity number 1039622

Accounts

Company Registration Number: 02889781
Charity Number: 1039622

Undershaw Education Trust

(A company limited by guarantee, not having a share capital)

Annual Report and Audited Financial Statements

for the financial year ended 31 August 2025

WestMore Accounting Limited
Chartered Certified Accountants and Statutory Auditors
Ryefield Court
81 Joel Street
Northwood Hills
Middlesex
HA6 1LL

UNDERSHAW EDUCATION TRUST
(A company limited by guarantee, not having a share capital)
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UNDERSHAW EDUCATION TRUST
(A company limited by guarantee, not having a share capital)
TRUSTEES' AND OTHER INFORMATION

Trustees	Oliver Jones Tracy Stone (Resigned 4 February 2026) William Karlsen Claire Cookson Deborah Gerring (Resigned 16 September 2025) Karen Heath Jonathan Robards Philippa Charles (Appointed 6 January 2025) Clare Chesworth Leilah Sheridan Nicky Birchwood
Chairperson	Joanne Pickford
Charity Number in England and Wales	1039622
Company Registration Number	02889781
Registered Office and Principal Address	Undershaw Education Trust Portsmouth Road Surrey GU26 6AQ
Auditors	WestMore Accounting Limited Chartered Certified Accountants and Statutory Auditors Ryefield Court 81 Joel Street Northwood Hills Middlesex HA6 1LL

The trustees present their Trustees' Annual Report, combining the Directors' Report and Trustees' Report, and the audited financial statements for the financial year ended 31 August 2025.

The financial statements are prepared in accordance with the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Trustees' Report contains the information required to be provided in the Trustees' Annual Report under the Statement of Recommended Practice (SORP) guidelines. The trustees of the charity are also charity trustees for the purpose of charity law and under the charity's constitution are known as members of the board of trustees.

In this report the trustees of Undershaw Education Trust present a summary of its purpose, governance, activities, achievements and finances for the financial year 31 August 2025.

Principal Activity
The principal activity of the company continued to be that of an independent special needs school.

Mission, Objectives and Strategy

Objectives
Undershaw Education Trust ("the School" known as "Undershaw") is an inclusive independent special needs school where the best interests of the child are at the heart of everything that we do. A school where we empower students to aspire and achieve. A caring and safe environment which allows students to thrive and flourish and prepares them to be socially and economically engaged in the future.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the School should undertake.

Undershaw is a specialist setting where children from Year 3 to Post 16 with mild to moderate learning difficulties and additional needs, such as ASD, cerebral palsy, hemiplegia, and medical vulnerabilities can access the national curriculum and qualification pathways in a safe, secure, and friendly environment.

Initially established in 2004 and further expanded in 2016 (by two different charitable foundations), Undershaw continues to strive for excellence in delivering education and life skills for students who have special educational needs who all have an Education Health Care Plan. We aim to promote the rights, needs and aspirations of students and offer a package of high quality education, training, therapy and care in order for our students to thrive. We measure our success as a School through the qualification and life outcomes achieved by our students and aim for them to become fully contributing members of their community and society.

The School is based in Hindhead, Surrey, on the border with Hampshire and close to West Sussex. Students are referred from all three of these local authorities as well as further afield e.g. South London. The School initially established itself as a first-class provider of care and education for young people with hemiplegia but in recent years has developed its skills and knowledge to meet the needs of students who have found their access to education a challenge. We are able to make provision for children with acute or chronic medical conditions, ASD and a range of mild physical disabilities. Our expertise in these areas is increasingly recognised by families and local authorities resulting in large numbers of applications for a placement with us.

The School is spread over two sites, within walking distance of each other. It has excellent facilities and enjoys a great relationship with the local community.

We are an educational community that is creative, supportive, challenging and rewarding. Learning and teaching is based on shared values and beliefs, which provide a sense of hope and high expectations. We ensure we deliver these goals through a clear leadership and management structure that has developed and expanded. We are working hard to build and maintain effective partnerships with the families of the children. As a result, their contributions are actively sought and valued by staff. Our Schools' curriculum is broad, balanced and relevant, well matched to the personal needs of every student. We tailor our provision to need, using our resources, teaching styles and strategies effectively, ensuring that the curriculum goes beyond entitlement; extending and enriching each child's experience.

Access to learning is greatly enhanced by the higher level of specialist therapeutic provision we are now able to make.

Our approach enables students to become more resilient in their attitudes and ability to learn and develop as responsible adults so that they may take their place and make a positive contribution within their community. The Post-16 offer has been specifically developed so as to support a successful transition to further education or employment. A stronger emphasis on work related learning has seen a significant increase in business and community links.

Structure, Governance and Management

Structure
Undershaw Education Trust is a company limited by guarantee, with no share capital and is a registered charity. Undershaw Education charity trustees are also directors of the Company and Governors of the School. The management of the School is delegated to the Executive Headteacher who reports directly to the Governing Board. As part of the school's governance procedures, the Board ensures that trustees are suitable for the role, possess the necessary skills and experience, and are able to contribute effectively to the strategic leadership of the school.

The Charity maintains Trustees' Liability insurance in respect of legal action that might be brought against its directors.

Method of Recruitment and Appointment of Trustees
The Governing board advertises vacancies on the website and through partner organisations. Candidates are asked to provide an overview of their interest and qualifications in relation to the position and they will be interviewed by the Chair of Governors and Headteacher and visit the School.

Staff and parent governors are elected by the relevant stakeholder parties and nominated to the Board; they too are interviewed for suitability by the Chair of Governors. Details of the number and nomination of Governors is detailed in the Articles of Association of the School.

All nominated Governors must be agreed by the full Governing Board and checks take place prior to them becoming trustees of the Charity.

Pay and Remuneration of Key Management
The pay and remuneration of key management is based broadly on the Surrey County Council pay structure, reviewed annually through a performance management process linked by the headteacher and approved by the Trustees.

The headteacher's remuneration is set through a performance management process overviewed by the Chair following the same leadership pay structure.

Review of Achievements and Performance
Reflection

During the academic year 2024–25, the School maintained an average enrolment of around 100 young people, aged 7–19 years, organised into 13 teaching groups according to age. The School remains under strong and stable leadership, with a seamless transition in the role of Chair of Governors. Debbie Gerring resigned from her post on 16th September and was succeeded by the Vice Chair, Jo Franklin, providing continuity, stability, and ongoing strength in governance.

The Governors remain committed to supporting and challenging the Senior Leadership Team. This year has seen further strengthening of the governing body, with a continued focus on improving the core educational offering and ensuring the School is well-positioned for its next stage of development. Policies and procedures are regularly reviewed to manage risk effectively and support the delivery of the School's ambitious plans, building on firm foundations established in previous years.

We have reviewed our Articles of Association to remove the requirement for nominated Governors from the Leo Lion Foundation and the DFN Foundation to be members of the Governing Body. This has been approved by Charities Commission and Companies House.

During the academic year, the school recorded a higher than anticipated financial surplus. This position arose primarily from the temporary halt of planned building and maintenance projects and a pause in recruitment activities. All of these decisions were necessary due to operational challenges and were fully supported by the trustees. Whilst these measures reduced expenditure in the short term, they were implemented to ensure stability and continuity during a period of operational transition. The surplus funds have been designated for necessary works over the coming year and we will not expect to see elevated surplus in the future.

The Future

Building on the success and strong reputation of Undershaw, we are planning to open a second school site to meet growing demand for high-quality provision. We have worked closely with the Local Authority to understand unmet local need and are actively exploring funding opportunities to realise this vision.

In addition, we are taking steps to secure the long-term tenure of the original Undershaw school by considering a proposal to purchase the freehold of the building from the DFN Foundation.

We entered the new academic year with 107 students on roll, the highest enrolment in the School's history. This milestone reflects both our strong reputation for excellence and parents' confidence in choosing Undershaw for their children. Post-16 numbers grew to 12 students, demonstrating local authorities' trust in our provision and our ability to prepare students for progression into mainstream sixth form, with a focus on employability skills during the transition year.

This year, we were proud to achieve the Silver Rights Respecting Schools Award from UNICEF, reflecting our commitment to embedding children's rights at the heart of everything we do. Our next goal is to achieve the Gold Award. In addition, we are working towards Healthy Schools Status from Surrey County Council, reinforcing our dedication to promoting wellbeing and healthy lifestyles.

Our comprehensive School Development Plan continues to guide our strategic direction, ensuring we remain ambitious for our students and responsive to the needs of families. These initiatives strengthen our ability to provide exceptional education and life opportunities for young people with SEND.

Financial Review
Total income for the year was £4,278,459 which compared to £3,592,620 in 2024, which demonstrates a notable increase compared with the prior period. This improvement is attributed to:

Growth in pupil numbers. The school experienced a sustained rise in pupil enrolment, reflecting the strengthened demand and the continued confidence of parents and the local authority in the quality or provision provided.

Increase in fees. An increase of 10% fees for Surrey students has helped the school remain financially strong and able to support the ongoing investment in pupil provision.

Reduction of historically low legacy fees. This year more pupils that had been on historically low legacy fees with the local authority left the Undershaw Education Trust ensuring that all new students placed fees accurately reflect the cost to educate.

Financial Results
At the end of the financial year the charity has assets of £2,491,950 (2024 - £1,874,636) and liabilities of £420,439 (2024 - £253,735). The net assets of the charity have increased by £450,610.

Reserves Position and Policy

Reserves Policy
The trustees have adopted a reserves policy which requires the charity to maintain unrestricted reserves equivalent to one terms operating costs. This level of reserves is considered appropriate to ensure the organisation can continue to operate smoothly in the event of unforeseen financial pressures, safeguarding its ability to meet ongoing commitments to educating the students on roll.

Currently, one terms operating costs are £1,300,000 with reserves currently sitting at £2,071,511 as at 31 August 2025, this is compared to £1,620,901 at 31 August 2024.

The reserves are currently significantly higher to meet the ongoing maintenance of the site and to meet the future plans for the purchase and expansion of the school.

Principal Risks and Uncertainties
The trustees recognise that the risk of falling pupil numbers presents a significant financial threat as reduced enrolment directly impacts funding and increased pressure of already stretched budgets. Fortunately, this is not being seen within Undershaw Education Trust, but we remain mindful each year. To mitigate this, the staffing budget is regularly reviewed and is set on the break-even number of pupils. This ensures that we continue to have a strong hold over expenditure. The reserves are closely maintained by the trustees and provide a financial safety net, enabling the school to remain stable, responsive and pupil centered.

Trustees
The trustees who served throughout the financial year, except as noted, were as follows:

Oliver Jones
Tracy Stone (Resigned 4 February 2026)
William Karlsen
Claire Cookson
Deborah Gerring (Resigned 16 September 2025)
Karen Heath
Jonathan Robards
Philippa Charles (Appointed 6 January 2025)
Clare Chesworth
Leilah Sheridan
Nicky Birchwood

Compliance with Sector-Wide Legislation and Standards
The charity engages pro-actively with legislation, standards and codes which are developed for the sector. Undershaw Education Trust subscribes to and is compliant with the following:
- The Companies Act 2006
- The Charities SORP (FRS 102)

Statement of Public Benefit
The Directors have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular, the Directors consider how planned activities will contribute to the aims and objectives they have set.

The Directors believe they meet the requirements to demonstrate that their activities provide public benefit. Primarily, this is delivered by providing specialised education and related services and facilities to highly complex, needy and often disadvantaged children and young people. This also has the benefit of providing support to the families of these children. The services and provision of the School also assist the State in discharging legal obligations to provide a statutory education for children and young people unable to access a statutory right to education in mainstream education provision.

During the year Directors, acting as governors of the School, have promoted community access to School and in particular continued to ensure public access to the historical Undershaw property.

The Auditors

The auditors, WestMore Accounting Limited, (Chartered Certified Accountants) have indicated their willingness to continue in office in accordance with the provisions of Section 485 of the Companies Act 2006.

Approved by the Board of Trustees on 19 March 2026 and signed on its behalf by:

Joanne Pickford
Chairperson

Nicky Birchwood
Trustee

UNDERSHAW EDUCATION TRUST
(A company limited by guarantee, not having a share capital)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2025

The trustees, who are also directors of Undershaw Education Trust for the purposes of company law, are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the trustees as the directors to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A (Small Entities). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period.

In preparing these financial statements, the trustees are required to:
- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information (information needed by the charity's auditor in connection with preparing the auditor's report) of which the charity's auditor is unaware, and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Approved by the Board of Trustees on 19 March 2026 and signed on its behalf by:

Joanne Pickford
Chairperson

Nicky Birchwood
Trustee

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF UNDERSHAW EDUCATION TRUST
(A company limited by guarantee, not having a share capital)

Report on the audit of the financial statements

Opinion
We have audited the charity financial statements of Undershaw Education Trust ('the charity') for the financial year ended 31 August 2025 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

In our opinion, when reporting in accordance with a fair presentation framework the financial statements:
- give a true and fair view of the state of the charity's affairs as at 31 August 2025 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

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

Opinion on other matter prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept; or
- 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
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' Annual Report.

Responsibilities of trustees for the financial statements
As explained more fully in the Statement of Trustees' Responsibilities set out on page 8, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the charity or to cease operations, or has 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:

- Identified the legal and regulatory framework within which the school operates to determine the material amounts and disclosures in the financial statements;
- Reviewed the school's internal control procedures in order to assess the level of risk, including fraud risk;
- Tested sample items to supporting documentation, including third party confirmations and journal entries;
- Performed walkthrough tests to determine the implementation of systems and controls;
- Assessed the accuracy of disclosures in the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF UNDERSHAW EDUCATION TRUST
(A company limited by guarantee, not having a share capital)

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Simon Weston (Senior Statutory Auditor)
for and on behalf of
Westmore Accounting Limited
Chartered Certified Accountants and Statutory Auditors
Ryefield Court
81 Joel Street
Northwood Hills
Middlesex
HA6 1LL

19 March 2026

UNDERSHAW EDUCATION TRUST
(A company limited by guarantee, not having a share capital)
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
Income							
Donations and legacies	3.1	**48,799**	**15,000**	**63,799**	17,756	-	17,756
Charitable activities							
Charitable activities	3.2	**4,159,866**	**1,701**	**4,161,567**	3,512,851	-	3,512,851
Other trading activities	3.3	**53,019**	-	**53,019**	61,535	-	61,535
Investments	3.4	**74**	-	**74**	145	-	145
Other income	3.5	-	-	-	333	-	333
Total income		**4,261,758**	**16,701**	**4,278,459**	3,592,620	-	3,592,620
Expenditure							
Charitable activities	4.1	**3,808,041**	**19,808**	**3,827,849**	3,664,809	1,438	3,666,247
Net income/(expenditure)		**453,717**	**(3,107)**	**450,610**	(72,189)	(1,438)	(73,627)
Transfers between funds		**(3,281)**	**3,281**	-	9,120	(9,120)	-
Net movement in funds for the financial year		**450,436**	**174**	**450,610**	(63,069)	(10,558)	(73,627)
Reconciliation of funds:							
Total funds beginning of the year	15	**1,620,901**	-	**1,620,901**	1,683,970	10,558	1,694,528
Total funds at the end of the year		**2,071,337**	**174**	**2,071,511**	1,620,901	-	1,620,901

The Statement of Financial Activities includes all gains and losses recognised in the financial year.
All income and expenditure relate to continuing activities.

UNDERSHAW EDUCATION TRUST

(A company limited by guarantee, not having a share capital)
Company Number: 02889781

BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025 £	2024 £
Fixed Assets			
Tangible assets	9	775,733	745,851
Current Assets			
Debtors	10	598,200	94,723
Cash at bank and in hand	11	1,118,017	1,034,062
		1,716,217	1,128,785
Creditors: Amounts falling due within one year	12	(420,439)	(153,735)
Net Current Assets		1,295,778	975,050
Total Assets less Current Liabilities		2,071,511	1,720,901
Creditors			
Amounts falling due after more than one year	13	-	(100,000)
Total Net Assets		2,071,511	1,620,901
Funds			
Restricted trust funds		174	-
Designated funds (Unrestricted)		420,000	-
General fund (unrestricted)		1,651,337	1,620,901
Total funds	15	2,071,511	1,620,901

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard.

Approved by the Board of Trustees and authorised for issue on 19 March 2026 and signed on its behalf by

Joanne Pickford
Chairperson

Nicky Birchwood
Trustee

UNDERSHAW EDUCATION TRUST
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Net movement in funds		**450,610**	(73,627)
Adjustments for:			
Depreciation		**59,627**	65,730
Interest receivable and similar income		**(74)**	(145)
		510,163	(8,042)
Movements in working capital:			
Movement in debtors		**(503,477)**	(9,421)
Movement in creditors		**266,704**	(66,681)
Cash generated from/(used in) operations		**273,390**	(84,144)
Cash flows from investing activities			
Interest received		**74**	145
Payments to acquire tangible assets		**(89,509)**	(68,969)
Net cash used in investment activities		**(89,435)**	(68,824)
Cash flows from financing activities			
Repayment of short term loan		**(100,000)**	(100,000)
Net increase/(decrease) in cash and cash equivalents		**83,955**	(252,968)
Cash and cash equivalents at the beginning of the year		**1,034,062**	1,287,030
Cash and cash equivalents at the end of the year	**11**	**1,118,017**	1,034,062

1. GENERAL INFORMATION

Undershaw Education Trust is a company limited by guarantee incorporated in the United Kingdom. The registered office of the charity is Undershaw Education Trust, Portsmouth Road, Surrey, GU26 6AQ which is also the principal place of business of the charity. The financial statements have been presented in Pound (£) which is also the functional currency of the charity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's financial statements.

Basis of preparation
The financial statements have been prepared on the going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102", applying Section 1A of that Standard.

As permitted by the Companies Act 2006, the charity has varied the standard formats in that Act for the Statement of Financial Activities and the Balance Sheet. Departures from the standard formats are to comply with the requirements of the Charities SORP and are in compliance with section 4.7, 10.6 and 15.2 of that SORP.

Statement of compliance
The financial statements of the charity for the financial year ended 31 August 2025 have been prepared on the going concern basis and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102", applying Section 1A of that Standard.

Fund accounting
The following are the categories of funds maintained:

Restricted funds
Restricted funds represent income received which can only be used for particular purposes, as specified by the donors. Such purposes are within the overall objectives of the charity.

Unrestricted funds
Unrestricted funds consist of General and Designated funds.

- General funds represent amounts which are expendable at the discretion of the board, in furtherance of the objectives of the charity.
- Designated funds comprise unrestricted funds that the board has, at its discretion, set aside for particular purposes. These designations have an administrative purpose only, and do not legally restrict the board's discretion to apply the fund.

Income
Income is recognised by inclusion in the Statement of Financial Activities only when the charity is legally entitled to the income, performance conditions attached to the item(s) of income have been met, the amounts involved can be measured with sufficient reliability and it is probable that the income will be received by the charity.

Income from charitable activities
Income from charitable activities include income earned from the supply of services under contractual arrangements and from performance related grants which have conditions that specify the provision of particular services to be provided by the charity. Income from government and other co-funders is recognised when the charity is legally entitled to the income because it is fulfilling the conditions contained in the related funding agreements. Where a grant is received in advance, its recognition is deferred and included in

creditors. Where entitlement occurs before income is received, it is accrued in debtors.

Grants from governments and other co-funders typically include one of the following types of conditions:

- Performance based conditions: whereby the charity is contractually entitled to funding only to the extent that the core objectives of the grant agreement are achieved. Where the charity is meeting the core objectives of a grant agreement, it recognises the related expenditure, to the extent that it is reimbursable by the donor, as income.

-Time based conditions: whereby the charity is contractually entitled to funding on the condition that it is utilised in a particular period. In these cases the charity recognises the income to the extent it is utilised within the period specified in the agreement.

In the absence of such conditions, assuming that receipt is probable and the amount can be reliably measured, grant income is recognised once the charity is notified of entitlement.

Grants received towards capital expenditure are credited to the Statement of Financial Activities when received or receivable, whichever is earlier.

Expenditure
Expenditure is analysed between costs of charitable activities and raising funds. The costs of each activity are separately accumulated and disclosed, and analysed according to their major components. Expenditure is recognised when a legal or constructive obligation exists as a result of a past event, a transfer of economic benefits is required in settlement and the amount of the obligation can be reliably measured. Support costs are those functions that assist the work of the charity but cannot be attributed to one activity. Such costs are allocated to activities in proportion to staff time spent or other suitable measure for each activity.

Tangible fixed assets and depreciation
Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Land and buildings	50 years straight line
Plant and machinery	5 years straight line
Fixtures, fittings and equipment	3 years straight line
Motor vehicles	5 years straight line
IT Equipment	3 years straight line

Debtors
Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Income recognised by the charity from government agencies and other co-funders, but not yet received at financial year end, is included in debtors.

Cash at bank and in hand
Cash at bank and in hand comprises cash on deposit at banks requiring less than three months notice of withdrawal.

Taxation and deferred taxation
No current or deferred taxation arises as the charity has been granted charitable exemption. Irrecoverable valued added tax is expensed as incurred.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the charity's taxable income and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Pensions

The charity operates two pension schemes for its employees: the Teachers' Pension Scheme (TPS) and a defined contribution scheme.

The TPS is a statutory, multi-employer defined benefit pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme on a reasonable and consistent basis. In accordance with FRS 102, the TPS is therefore accounted for as a defined contribution scheme. Employer contributions are recognised as an expense in the Statement of Financial Activities in the period in which they are payable. The charity has no obligation beyond its agreed contributions.

For administrative staff, the charity operates a defined contribution scheme. Contributions payable by the charity are recognised as an expense in the Statement of Financial Activities when they fall due. The charity has no further payment obligations once the contributions have been made.

3. INCOME

3.1 DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	2025	2024
	£	£	£	£
Donations and legacies	**48,799**	**15,000**	**63,799**	17,756

3.2 CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	2025	2024
	£	£	£	£
Charitable activities:				
Income from charitable activities	**4,159,866**	**1,701**	**4,161,567**	3,512,851

3.3 OTHER TRADING ACTIVITIES

	Unrestricted Funds	Restricted Funds	2025	2024
	£	£	£	£
Other trading activities	**53,019**	**-**	**53,019**	61,535

3.4 INVESTMENTS

	Unrestricted Funds	Restricted Funds	2025	2024
	£	£	£	£
Investments	**74**	**-**	**74**	145

3.5 OTHER INCOME

	Unrestricted Funds	Restricted Funds	2025	2024
	£	£	£	£
Other income	-	-	-	333

4. EXPENDITURE

UNDERSHAW EDUCATION TRUST
(A company limited by guarantee, not having a share capital)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2025

4.1 CHARITABLE ACTIVITIES

	Direct Costs £	Other Costs £	Support Costs £	2025 £	2024 £
Expenditure on charitable activites	3,808,863	-	6,530	3,815,393	3,661,515
Governance Costs (Note 4.2)	-	-	12,456	12,456	4,732
	3,808,863	-	18,986	3,827,849	3,666,247

4.2 GOVERNANCE COSTS

	Direct Costs £	Other Costs £	Support Costs £	2025 £	2024 £
Charitable activities - governance costs	-	-	12,456	12,456	4,732

4.3 SUPPORT COSTS

	Charitable Activities £	Governance Costs £	2025 £	2024 £
Support	6,530	12,456	18,986	11,692

5. ANALYSIS OF SUPPORT COSTS

	2025 £	2024 £
Support	18,986	11,692

6. NET INCOME

	2025 £	2024 £
Net Income is stated after charging/(crediting):		
Depreciation of tangible assets	59,627	65,730
Auditor's remuneration:		
- audit services	6,530	6,960

7. INVESTMENT AND OTHER INCOME

	2025 £	2024 £
Property income	51,828	60,675
Other interest	74	145
	51,902	60,820

8. EMPLOYEES AND REMUNERATION

Number of employees
The average number of persons employed (including executive trustees) during the financial year was as follows:

	2025 Number	2024 Number
Education including therapists	**51**	52
Support and administration	**16**	22
	67	74

The staff costs comprise:	2025 £	2024 £
Wages and salaries	**2,547,651**	2,488,958
Pension costs	**334,568**	267,143
	2,882,219	2,756,101

Higher Paid Employees:

The number of employees whose employee benefits (excluding employer pension costs and employer national insurance contributions) exceeded £60,000 was:

Between £60,000 and £70,000 was 1 (2024 - 2)
Between £70,000 and £80,000 was 1 (2024 - nil)
Between £100,000 and £110,000 was 1 (2024 - 1)

The aggregate remuneration of key management personnel was £417,601 (2024 - £408,122)

9. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	IT Equipment	Total
	£	£	£	£	£	£
Cost						
At 1 September 2024	725,899	50,679	60,084	93,969	261,896	1,192,527
Additions	31,281	-	13,489	-	44,739	89,509
Disposals	-	-	-	-	(3,947)	(3,947)
At 31 August 2025	757,180	50,679	73,573	93,969	302,688	1,278,089
Depreciation						
At 1 September 2024	78,733	23,880	56,735	50,590	236,738	446,676
Charge for the financial year	18,680	8,487	1,854	12,083	18,523	59,627
On disposals	-	-	-	-	(3,947)	(3,947)
At 31 August 2025	97,413	32,367	58,589	62,673	251,314	502,356
Net book value						
At 31 August 2025	**659,767**	**18,312**	**14,984**	**31,296**	**51,374**	**775,733**
At 31 August 2024	647,166	26,799	3,349	43,379	25,158	745,851

10. DEBTORS

	2025	2024
	£	£
Trade debtors	**405,394**	14,676
Other debtors	**4,922**	-
Taxation and social security costs	**49,778**	-
Prepayments and accrued income	**138,106**	80,047
	598,200	94,723

11. CASH AND CASH EQUIVALENTS

	2025	2024
	£	£
Cash and bank balances	**1,118,017**	1,034,062

12. CREDITORS

Amounts falling due within one year

	2025	2024
	£	£
Loan	**100,000**	100,000
Trade creditors	**200,839**	38,586
Taxation and social security costs	**54,429**	-
Other creditors	**1,589**	1,492
Accruals and deferred income:		
Pension accrual	**38,469**	-
Other accruals	**25,113**	13,657
	420,439	153,735

13. CREDITORS

Amounts falling due after more than one year

	2025	2024
	£	£
Loan	**-**	100,000
Repayable in one year or less, or on demand (Note 12)	**100,000**	100,000
Repayable between two and five years	**-**	100,000
	100,000	200,000

14. PENSION COSTS - DEFINED CONTRIBUTION

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. Pension costs amounted to £334,568 (2024 - £267,143).

15. FUNDS

15.1 RECONCILIATION OF MOVEMENT IN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds £
At 1 September 2023	1,683,970	10,558	1,694,528
Movement during the financial year	(63,069)	(10,558)	(73,627)
At 31 August 2024	1,620,901	-	1,620,901
Movement during the financial year	450,436	174	450,610
At 31 August 2025	**2,071,337**	**174**	**2,071,511**

15.2 ANALYSIS OF MOVEMENTS ON FUNDS

	Balance 1 September 2024 £	Income £	Expenditure £	Transfers between funds £	Balance 31 August 2025 £
Restricted funds					
MUGA	-	2,000	2,750	750	-
Founders Day	-	10,000	12,350	2,350	-
Summer Camp	-	1,701	1,699	(2)	-
Wildlife Project	-	1,000	826	-	174
PE Equipment	-	2,000	2,183	183	-
	-	16,701	19,808	3,281	174
Unrestricted funds					
Sensory Den	-	-	-	10,000	10,000
Sensory Cube	-	38,246	-	(13,246)	25,000
PE Equipment 2	-	156	-	(156)	-
Ground Works	-	-	-	100,000	100,000
Swimming Pool	-	-	-	20,000	20,000
Coach House	-	-	-	25,000	25,000
Plant Upgrades	-	-	-	20,000	20,000
AMC Renovations	-	-	-	100,000	100,000
Media Suite	-	-	-	100,000	100,000
Flooring at Undershaw School	-	-	-	20,000	20,000
Unrestricted General	1,620,901	4,223,356	3,808,041	(384,879)	1,651,337
	1,620,901	4,261,758	(3,808,041)	(3,281)	2,071,337
Total funds	**1,620,901**	**4,278,459**	**3,827,849**	**-**	**2,071,511**

16. RESTRICTED FUNDS

These are the restricted funds.

MUGA: Funds were received from two parents towards the resurfacing of the MUGA project. This work was completed in August 2025.

Founders Day: Funds were received from the original founders of the school towards the 20th Anniversary celebration event. Donations of £5,000 each were received from Leo Lion and DFN Foundation.

Summer Camp: A grant was received from Surrey County Council (Club 4) to run a summer holiday club for

students who receive benefit related free school meals. The camps offer healthy eating and fun activities for eligible children.

Wildlife Project: A grant was received from South Downs National Parks Trust to enable us to create re-wilding projects around the school grounds.

PE Equipment: Funds were received from the Leo Lion Foundation towards new PE equipment in recognition of our sports coach receiving the Sporting Impact in Schools Award.

17. DESIGNATED FUNDS

These are the designated funds.

Sensory Den: A new installation of equipment within the regulation den that provides a more suitable regulation space for our younger students. This installation is similar to the sensory cube within the existing regulation den.

Sensory Cube: A new installation of a sensory cube in the Arts and Media Centre. The cube provides a sensory space for students enabling them to self-regulate which in turn allows them to return to the classroom for learning.

Ground Works: This fund has been set up to further investigate and undertake significant repair works for the retaining sleeper walls that are showing signs of failure.

Swimming Pool: Funding has been allocated to empty, re grout and re fill the swimming pool which is showing signs of cracks in the grout. Performing these works early will stop further damage to the fabric of the pool.

Coach House: Rising damp has been found in this building, and this fund will be used to investigate and repair any damage.

Plant Upgrades: This fund has been set up to upgrade the waste removal pump and surrounding access areas.

AMC Renovations: A recent survey was undertaken at the AMC which identified certain defects in the roof and lighting systems. This fund will be used to repair these defects.

Media Suite: This fund is for the design and installation of a new media suite at the AMC to ensure that our students have access to the latest technology and educational resources. This will enable us to extend our academic offering to include courses such as E-sports.

Flooring at Undershaw School: This fund is for the replacement of the carpet at US which has become worn with age. Included in the expenditure is the sanding and restoration of the original wooden flooring.

PE Equipment 2: Funding from the cake sale held at Sports Day will be used to purchase additional outdoor PE equipment.

17.1 ANALYSIS OF NET ASSETS BY FUND

	Fixed assets - charity use	Current assets	Current liabilities	Total
	£	£	£	£
Unrestricted general funds	775,733	1,616,661	(420,439)	1,971,955
	775,733	**1,616,661**	**(420,439)**	**1,971,955**

18. STATUS

The charity is a company limited by guarantee not having a share capital.

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members, or within one financial year thereafter, for the payment of the debts and liabilities of the company contracted before they ceased to be members, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required, not exceeding £ 1.

19. CAPITAL COMMITMENTS

	2025	2024
	£	£
Details of capital commitments at the accounting date are as follows:		
Approved but not yet contracted for	**25,000**	-

At 31 August 2025 the charity had authorised, but not contracted, capital commitments of £25,000 plus VAT in respect of planned expenditure with Creative Activity Group Limited for the installation of a new sensory cube in the Arts and Media Centre. There were no contracted capital commitments at the year end. No capital commitments existed at the previous year end.

20. OPERATING LEASE COMMITMENTS

The charity leases its school premises and certain equipment under non-cancellable operating lease agreements.

The property lease is payable at £100,000 per annum. The equipment leases relate to two Toshiba e-Studio 4525 devices, five Toshiba e-Studio 339cs devices and one Papercut device, each with a 48-month term commencing on 1 January 2025. At 31 August 2025, the total future minimum lease payments under these agreements were as follows:

	2025
	£
Within one year	**103,200**
Between two and five years	**407,468**
	510,668

21. RELATED PARTY TRANSACTIONS

During the year the charity entered into transactions with the following related parties:

The Leo Lion Foundation, whose members were among the founders of the school, made donations to the charity comprising £2,000 towards sports equipment, £11,500 from the proceeds of an auction held on behalf of the school, a £5,000 donation in connection with Founders Day and £276 relating to the annual Sundial event. The Leo Lion Foundation provides non-monetary gifts to the staff as a sign of appreciation. These totalled approximately £4,300 in value.

An interest free loan to purchase the Tower Road site was provided by the Leo Lion Foundation. Loan repayments made during the year totalled £100,000 and the outstanding loan at 31st August 2025 is

£100,000.

The following Trustees are also Trustees of the Leo Lion Foundation:
- Joanne Pickford
- Claire Cookson

The DFN Charitable Foundation, whose members were among the founders of the school and which owns the premises from which the school operates, donated £5,000 towards Founders Day and charged rent, including building insurance, totalling £123,860 during the year.

The following trustees are employed by the DFN Foundation:
- Philippa Charles

Deborah Gerring, who served as a trustee during the year, was reimbursed £3,603 for travel expenses incurred wholly and exclusively in the course of carrying out her duties for the charity. No trustees received remuneration and no other related party transactions occurred.

22 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	Opening balance	Cash flows	Other changes	Closing balance
	£	£	£	£
Long-term borrowings	(100,000)	-	100,000	-
Short-term borrowings	(100,000)	100,000	(100,000)	(100,000)
Total liabilities from financing activities	(200,000)	100,000	-	(100,000)
Total Cash at bank and in hand (Note 11)				1,118,017
Total net debt				1,018,017

23. POST-BALANCE SHEET EVENTS

There have been no significant events affecting the Charity since the financial year-end.

Undershaw Education Trust

England & Wales - Charity number 1039622

Accounts

Charity registration number 1039622

Company registration number 02889781 (England and Wales)

Undershaw Education Trust

Annual Report and Financial Statements

For the Year Ended 31 August 2024

UNDERSHAW EDUCATION TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C Cookson	
	K Heath	
	W Karlsen	
	D Gerring	
	O Jones	(Appointed 26 September 2023)
	J Robards	(Appointed 10 October 2023)
	L Sheridan	(Appointed 26 September 2023)
	T Stone	(Appointed 26 September 2023)
	C Chesworth	(Appointed 26 September 2023)
	N Birchwood	(Appointed 10 July 2024)
	P Charles	(Appointed 6 January 2025)
	J Pickford	
Charity number	1039622	
Company number	02889781	
Registered office	Undershaw Portsmouth Road Hindhead Surrey GU26 6AQ	
Auditor	Westmore Accounting Limited Ryefield Court 81 Joel Street Northwood Hills Middlesex HA6 1LL	

UNDERSHAW EDUCATION TRUST

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UNDERSHAW EDUCATION TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees present their annual report and financial statements for the year ended 31 August 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the School's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

Undershaw Education Trust ("the School" known as "Undershaw") is an inclusive independent special needs school where the best interests of the child are at the heart of everything that we do. A school where we empower students to aspire and achieve. A caring and safe environment which allows students to thrive and flourish and prepares them to be socially and economically engaged in the future.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the School should undertake.

Undershaw is a specialist setting where children from Year 3 to Post 16 with mild to moderate learning difficulties and additional needs, such as ASD, cerebral palsy, hemiplegia, and medical vulnerabilities can access the national curriculum and qualification pathways in a safe, secure, and friendly environment.

Initially established in 2004 and further expanded in 2016 (by two different charitable foundations), Undershaw continues to strive for excellence in delivering education and life skills for students who have special educational needs who all have an Education Health Care Plan. We aim to promote the rights, needs and aspirations of students and offer a package of high quality education, training, therapy and care in order for our students to thrive. We measure our success as a School through the qualification and life outcomes achieved by our students and aim for them to become fully contributing members of their community and society.

The School is based in Hindhead, Surrey, on the border with Hampshire and close to West Sussex. Students are referred from all three of these local authorities as well as further afield e.g. South London. The School initially established itself as a first-class provider of care and education for young people with hemiplegia but in recent years has developed its skills and knowledge to meet the needs of students who have found their access to education a challenge. We are able to make provision for children with acute or chronic medical conditions, ASD and a range of mild physical disabilities. Our expertise in these areas is increasingly recognised by families and local authorities resulting in large numbers of applications for a placement with us.

The School is spread over two sites, within walking distance of each other. It has excellent facilities and enjoys a great relationship with the local community.

We are an educational community that is creative, supportive, challenging and rewarding. Learning and teaching is based on shared values and beliefs, which provide a sense of hope and high expectations. We ensure we deliver these goals through a clear leadership and management structure that has developed and expanded. We are working hard to build and maintain effective partnerships with the families of the children. As a result, their contributions are actively sought and valued by staff. Our Schools' curriculum is broad, balanced and relevant, well matched to the personal needs of every student. We tailor our provision to need, using our resources, teaching styles and strategies effectively, ensuring that the curriculum goes beyond entitlement; extending and enriching each child's experience. Access to learning is greatly enhanced by the higher level of specialist therapeutic provision we are now able to make.

Our approach enables students to become more resilient in their attitudes and ability to learn and develop as responsible adults so that they may take their place and make a positive contribution within their community. The Post-16 offer has been specifically developed so as to support a successful transition to further education or employment. A stronger emphasis on work related learning has seen a significant increase in business and community links.

Achievements and performance

Financial review

Total Income for the year was £3,592,620 (£3,947,158 in 2023), which includes £17,756 in Donations and Legacies (£93,734 in 2023). Income from lettings during the year was £60,675 (£66,648 in 2023). Total expenditure for the year was £3,665,662 (£3,582,491 in 2023); creating a deficit of £73,042 (a surplus of £364,667 in 2023).

Reserves Policy

The Charity's unrestricted funds were in surplus of £1,621,486 at 31 August 2024 (a surplus of £1,683,970 at 31 August 2023) and restricted funds were £Nil (£10,558 at 31 August 2023). The Charity's policy is to maintain sufficient reserves to mitigate against a temporary shortfall in income (or unexpected exceptional costs) and to provide funding for planned development initiatives.

Reflection

During the academic year 2023-24, an average of 100 young people were enrolled at the School, aged 7-19 years old; organised into 13 teaching groups, according to their age. The School is managed by a strong leadership team who continue to drive school development to maintain and exceed the outcome of the successful Ofsted inspection February 2025 (outcome – Outstanding).

The Governors have strengthened the breadth of their skills set to further support and challenge the Senior Leadership Team and have recruited new governors including parent governors and an Alumni governor to the Governing Body. Governors and management continue to focus on improving the core offering of the School with a view to the next stage of its development. The school is determined to deliver its ambitious development plans, building upon its firm foundations.

The Trustees have produced a register of the significant risks faced by the Charity. As a result, policies and procedures designed to minimise risk have been reviewed and, where appropriate, revised to ensure that they remain effective.

The Future

The School was established and initially supported by the COINS (now known as Leo Lion Foundation) and DFN Charitable Foundations but is now secure in its ability to fund future developments from its own resources. The School now has an agreed PAN of 115 to allow expansion of the Post 16 cohort in the future. The School admission's team continues to work closely with local authorities and families in order to ensure that spaces are offered to young learners with SEND who meet the admission criteria of the School.

Students' progress through each phase of their education with the aim of achieving academic qualifications and life skills that will allow them to access further education or employment opportunities and beyond. The School is proud to hold flagship status with The Skills Builder organisation and its principles are embedded throughout the school's curriculum provision. Students are encouraged to work on 8 essential skills that employers and colleges will look for when attracting young people to join their college or business.

This flagship status allows staff at Undershaw to provide outreach to support mainstream, SEND and employment providers to access and implement this valuable skills framework.

Building on the success of the previous academic year we continue to be ambitious for the School and the students. Our comprehensive School Development Plan identifies the strategic direction of the School and there are some exciting plans for the forthcoming year – to achieve recognition of the Mental Health provision in the school, achieve Healthy Schools status and the Rights, Respecting Schools Award.

Structure, governance and management
The School is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

M Elms	(Resigned 26 September 2023)
C Cookson	
C Baskerville	(Resigned 10 July 2024)
K Heath	
W Karlsen	
C Westbury	(Resigned 10 July 2024)
D Gerring	
N Ghalib	(Resigned 16 May 2024)
O Jones	(Appointed 26 September 2023)
J Robards	(Appointed 10 October 2023)
L Sheridan	(Appointed 26 September 2023)
T Stone	(Appointed 26 September 2023)
C Chesworth	(Appointed 26 September 2023)
N Birchwood	(Appointed 10 July 2024)
P Charles	(Appointed 6 January 2025)
J Pickford	

Method of Recruitment and Appointment of Trustees
The Governing board advertises vacancies on the website and through partner organisations. Candidates are asked to provide an overview of their interest and qualifications in relation to the position and they will be interviewed by the Chair of Governors and visit the School.

If the vacancy is one of our Foundation-nominated places the successful candidate will be put forward by the Foundation to the full Governing Board. Staff and parent governors are elected by the relevant stakeholder parties and nominated to the Board; they too are interviewed for suitability by the Chair of Governors. Details of the number and nomination of Governors is detailed in the Articles of Association of the School.

All nominated Governors must be agreed by the full Governing Board and checks take place prior to them becoming trustees of the Charity.

Organisational structure
Undershaw Education charity trustees are also directors of the Company and Governors of the School. The management of the School is delegated to the Executive Headteacher who reports directly to the Governing Board.

The Charity maintains Trustees' Liability insurance in respect of legal action that might be brought against its directors.

No preference dividends were paid. The Directors do not recommend payment of a final dividend.

Statement of Public Benefit
The Directors have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular, the Directors consider how planned activities will contribute to the aims and objectives they have set.

The Directors believe they meet the requirements to demonstrate that their activities provide public benefit. Primarily, this is delivered by providing specialised education and related services and facilities to highly complex needy and often disadvantaged children and young people. This also has the benefit of providing support to the families of these children. The services and provision of the Schools also assist the State in discharging legal obligations to provide a statutory education for children and young people unable to access a statutory right to education in mainstream education provision.

During the year Directors, acting as governors of the School, have promoted community access to School and in particular continued to ensure public access to the historical Undershaw property.

Auditor

In accordance with the company's articles, a resolution proposing that Westmore Accounting Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

D Gerring
Trustee
Dated: 20 May 2025

N Birchwood
Trustee
Dated:20 May 2025

UNDERSHAW EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees, who are also the directors of Undershaw Education Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the School 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 Charities SORP;

- make judgements and estimates that are reasonable and prudent; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the School 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 School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

UNDERSHAW EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF UNDERSHAW EDUCATION TRUST

Opinion

We have audited the financial statements of Undershaw Education Trust (the 'School') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the School for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 the 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.

- Identified the legal and regulatory framework within which the school operates to determine the material amounts and disclosures in the financial statements;
- Reviewed the school's internal control procedures in order to assess the level of risk, including fraud risk;
- Tested sample items to supporting documentation, including third party confirmations and journal entries;
- Performed walkthrough tests to determine the implementation of systems and controls;
- Assessed the accuracy of disclosures in the financial statements.

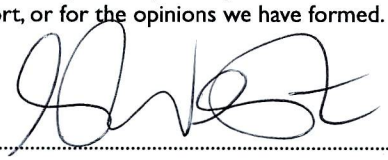
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF UNDERSHAW EDUCATION TRUST

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....

Simon Weston (Senior Statutory Auditor)
for and on behalf of Westmore Accounting Limited
Chartered Certified Accountants
Ryefield Court
81 Joel Street
Northwood Hills
Middlesex
HA6 1LL

20 May 2025

Westmore Accounting Limited is eligible for appointment as auditor of the School by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

UNDERSHAW EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income and endowments from:							
Donations and legacies	5	17,756	-	17,756	66,440	27,294	93,734
Charitable activities	3	3,512,851	-	3,512,851	3,786,689	-	3,786,689
Other trading activities	4	61,535	-	61,535	66,648	-	66,648
Investments	6	145	-	145	87	-	87
Other income	7	333	-	333	-	-	-
Total income		3,592,620	-	3,592,620	3,919,864	27,294	3,947,158
Expenditure on:							
Charitable activities	8	3,664,809	1,438	3,666,247	3,540,169	42,322	3,582,491
Total expenditure		3,664,809	1,438	3,666,247	3,540,169	42,322	3,582,491
Net income/(expenditure)		(72,189)	(1,438)	(73,627)	379,695	(15,028)	364,667
Transfers between funds	20	9,120	(9,120)	-	(25,586)	25,586	-
Net movement in funds	10	(63,069)	(10,558)	(73,627)	354,109	10,558	364,667
Reconciliation of funds:							
Fund balances at 1 September 2023		1,683,970	10,558	1,694,528	1,329,861	-	1,329,861
Fund balances at 31 August 2024		1,620,901	-	1,620,901	1,683,970	10,558	1,694,528

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

UNDERSHAW EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	14		745,851		742,612
Current assets					
Debtors	15	94,723		85,302	
Cash at bank and in hand		1,034,062		1,287,030	
		1,128,785		1,372,332	
Creditors: amounts falling due within one year	17	(153,735)		(220,416)	
Net current assets			975,050		1,151,916
Total assets less current liabilities			1,720,901		1,894,528
Creditors: amounts falling due after more than one year	18		(100,000)		(200,000)
Net assets			1,620,901		1,694,528
Income funds					
Restricted funds	20		-		10,558
Unrestricted funds	21		1,620,901		1,683,970
			1,620,901		1,694,528

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

The accounts were approved by the Trustees on 20 May 2025

D Gerring
Trustee

N Birchwood
Trustee

Company Registration No. 02889781

1 Critical accounting estimates and judgements

In the application of the School's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Accounting policies

Charity information

Undershaw Education Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Undershaw, Portsmouth Road, Hindhead, Surrey, GU26 6AQ.

2.1 Accounting convention

The accounts have been prepared in accordance with the School's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The School is a Public Benefit Entity as defined by FRS 102.

The School has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

2.2 Going concern

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

2.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the School.

2.4 Incoming resources

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

Cash donations are recognised on receipt. Other donations are recognised once the School has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

2 Accounting policies **(Continued)**

Legacies are recognised on receipt or otherwise if the School has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

2.5 Resources expended

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

2.6 Tangible fixed assets

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

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

Land and buildings	50 years straight line
Leasehold land and buildings	Over the remaining life of the lease
Plant and equipment	5 years straight line
Fixtures and fittings	3 years straight line
Computers	3 years straight line
Motor vehicles	5 years straight line

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

2.7 Impairment of fixed assets

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

2.8 Cash and cash equivalents

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

2.9 Financial instruments

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

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

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

2 Accounting policies **(Continued)**

Basic financial assets

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

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the School's contractual obligations expire or are discharged or cancelled.

2.10 Employee benefits

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

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

2.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

3 Income from charitable activities

	School fees 2024 £	School fees 2023 £
School fees	3,423,177	3,725,096
Grants	78,844	61,593
Other income	10,830	-
	3,512,851	3,786,689
Analysis by fund		
Unrestricted funds	3,512,851	3,786,689

4 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Letting and licensing arrangements	60,675	66,648
Trading income	860	-
Other trading activities	61,535	66,648

5 Donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fundraising	17,756	66,440	27,294	93,734

6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	145	87

7 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net gain on disposal of tangible fixed assets	333	-

8 Charitable activities

	Charitable Expenditure 2024 £	Charitable Expenditure 2023 £
Staff costs	2,756,101	2,527,614
Depreciation	65,730	66,723
Therapy	60,992	120,501
General direct costs	38,595	26,034
Facilities costs	204,884	224,697
Insurance	69,379	61,882
Repairs and maintenance	131,869	192,751
Administration costs	24,221	26,548
Telecommunications	15,274	13,135
Motor and travelling expenses	8,288	11,615
Legal and professional	63,256	54,199
Computer software and maintenance	102,117	105,611
Indirect staff costs	47,573	44,190
Education	65,074	98,215
Bank charges	1,202	1,623
	3,654,555	3,575,338
Share of support costs (see note 9)	4,732	433
Share of governance costs (see note 9)	6,960	6,720
	3,666,247	3,582,491
Analysis by fund		
Unrestricted funds	3,664,809	3,540,169
Restricted funds	1,438	42,322
	3,666,247	3,582,491

9 Support costs allocated to activities

	2024 £	2023 £
Governance costs	11,692	7,153
Analysed between:		
School expenditure	11,692	7,153

9 Support costs allocated to activities **(Continued)**

	2024	2023
Governance costs comprise:	£	£
Audit fees	6,960	6,720
Governance costs	4,732	433
	11,692	7,153

10 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	6,960	6,720
Depreciation of owned tangible fixed assets	65,730	66,723
Profit on disposal of tangible fixed assets	(333)	-

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the School during the year.

12 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Education including therapists	52	54
Support and administration	22	21
Total	74	75

Employment costs	2024	2023
	£	£
Wages and salaries	2,488,958	2,293,811
Other pension costs	267,143	233,803
	2,756,101	2,527,614

12 Employees (Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
Over £60,000	3	2

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	408,122	401,114

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

14 Tangible fixed assets

	Land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 September 2023	725,899	42,943	57,924	252,687	76,950	1,156,403
Additions	-	7,736	2,160	9,209	49,414	68,519
Disposals	-	-	-	-	(32,395)	(32,395)
At 31 August 2024	725,899	50,679	60,084	261,896	93,969	1,192,527
Depreciation and impairment						
At 1 September 2023	61,552	15,196	53,901	213,226	69,466	413,341
Depreciation charged in the year	17,181	8,684	2,834	23,512	13,519	65,730
Eliminated in respect of disposals	-	-	-	-	(32,395)	(32,395)
At 31 August 2024	78,733	23,880	56,735	236,738	50,590	446,676
Carrying amount						
At 31 August 2024	647,166	26,799	3,349	25,158	43,379	745,851
At 31 August 2023	664,347	27,297	4,023	39,461	7,484	742,612

14 Tangible fixed assets (Continued)

The carrying value of land included in land and buildings comprises:

	2024	2023
	£	£
Freehold	582,263	600,263

15 Debtors

	2024	2023
Amounts falling due within one year:	£	£
Trade debtors	14,676	11,545
Prepayments and accrued income	80,047	73,757
	94,723	85,302

16 Loans and overdrafts

	2024	2023
	£	£
Other loans	200,000	300,000
Payable within one year	100,000	100,000
Payable after one year	100,000	200,000

17 Creditors: amounts falling due within one year

	2024	2023
	£	£
Borrowings	100,000	100,000
Trade creditors	38,586	78,168
Other creditors	1,492	934
Accruals and deferred income	13,657	41,314
	153,735	220,416

18 Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Borrowings	100,000	200,000

19 Retirement benefit schemes

Defined contribution schemes	2024	2023
	£	£
Charge to profit or loss in respect of defined contribution schemes	267,143	233,803

The School operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the School in an independently administered fund.

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
Surrey Para Games Fund	4,841	-	-	(4,841)	-
Regulation Room Fund	2,145	-	(320)	(1,825)	-
Play Equipment Fund	3,572	-	(1,118)	(2,454)	-
	10,558	-	(1,438)	(9,120)	-

Previous year:	At 1 September 2022	Incoming resources	Resources expended	Transfers	At 31 August 2023
	£	£	£	£	£
Surrey Para Games Fund	-	4,841	-	-	4,841
Regulation Room Fund	-	5,000	(2,855)	-	2,145
Play Equipment Fund	-	11,862	(29,143)	20,853	3,572
Library Fund	-	5,591	(10,324)	4,733	-
	-	27,294	(42,322)	25,586	10,558

21 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
General funds	1,683,970	3,592,620	(3,664,809)	9,120	1,620,901

Previous year:	At 1 September 2022	Incoming resources	Resources expended	Transfers	At 31 August 2023
	£	£	£	£	£
General funds	1,329,861	3,919,864	(3,540,169)	(25,586)	1,683,970

22 Analysis of net assets between funds

	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£
At 31 August 2024:			
Tangible assets	745,851	-	745,851
Current assets/(liabilities)	975,050	-	975,050
Long term liabilities	(100,000)	-	(100,000)
	1,620,901	-	1,620,901

	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	£	£	£
At 31 August 2023:			
Tangible assets	742,612	-	742,612
Current assets/(liabilities)	1,141,358	10,558	1,151,916
Long term liabilities	(200,000)	-	(200,000)
	1,683,970	10,558	1,694,528

23 Operating lease commitments

Lessee

At the reporting end date the School had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	100,000	100,000

24 Related party transactions

Transactions with related parties

During the year the School entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2024	2023	2024	2023
	£	£	£	£
DFN Charitable Foundation	-	-	137,565	151,762
	-	-	137,565	151,762

	Donations received			
	2024	2023	2024	2023
	£	£	£	£
DFN Charitable Foundation	-	28,500	-	-
COINS Foundation	188	15,512	-	-
	188	44,012	-	-

All of the above related parties have significant influence over the Board of Undershaw Education Trust.

The purchase of goods above relates to the rental paid to DFN Charitable Foundation for the school site located at Undershaw.

During the year to 31 August 2020, COINS Foundation sold the Tower Road site to the School for £600,000. A professional valuation was undertaken and the sale price was based on this valuation.

In order to facilitate the purchase of this property COINS Foundation extended a loan to the school of £600,000. The loan agreement was signed by the relevant parties on 17 June 2020 and as such the full amount has been included within the accounts as borrowings. The loan is interest free with the first payment due on 1 September 2020 and termly thereafter; the final payment being on 1 May 2026.

The value of the loan at the year ended 31 August 2024 amounted to £200,000 (2023 - £300,000).

Undershaw Education Trust

England & Wales - Charity number 1039622

Accounts

Charity registration number 1039622

Company registration number 02889781 (England and Wales)

Undershaw Education Trust

Annual Report and Financial Statements

For the Year Ended 31 August 2023

UNDERSHAW EDUCATION TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Franklin	
	C Cookson	
	C Baskerville	
	K Heath	
	W Karlsen	
	C Westbury	
	D Gerring	(Appointed 1 September 2022)
	N Ghalib	(Appointed 11 July 2023)
	O Jones	(Appointed 26 September 2023)
	J Robards	(Appointed 10 October 2023)
	L Sheridan	(Appointed 26 September 2023)
	T Stone	(Appointed 26 September 2023)
	C Wickens	(Appointed 26 September 2023)
Charity number	1039622	
Company number	02889781	
Registered office	Undershaw Portsmouth Road Hindhead Surrey GU26 6AQ	
Auditor	Westmore Accounting Limited Ryefield Court 81 Joel Street Northwood Hills Middlesex HA6 1LL	

UNDERSHAW EDUCATION TRUST

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UNDERSHAW EDUCATION TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report and financial statements for the year ended 31 August 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the School's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts In accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

Undershaw Education Trust ("the School" known as "Undershaw") is an inclusive independent special needs school where the best interests of the child are at the heart of everything that we do. A school where we empower students to aspire and achieve. A caring and safe environment which allows students to thrive and flourish and prepares them to be socially and economically engaged in the future.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the School should undertake.

Undershaw is a specialist setting where children from Year 3 to Post 16 with mild to moderate learning difficulties and additional needs, such as ASD, cerebral palsy, hemiplegia, and medical vulnerabilities can access the national curriculum and qualification pathways in a safe, secure, and friendly environment.

Initially established in 2004 and further expanded in 2016 (by two different charitable foundations), Undershaw continues to strive for excellence in delivering education and life skills for students who have special educational needs who all have an Education Health Care Plan. We aim to promote the rights, needs and aspirations of students and offer a package of high quality education, training, therapy and care in order for our students to thrive. We measure our success as a School through the qualification and life outcomes achieved by our students and aim for them to become fully contributing members of their community and society.

The School is based in Hindhead, Surrey, on the border with Hampshire and close to West Sussex. Students are referred from all three of these local authorities as well as further afield e.g. South London. The School initially established itself as a first-class provider of care and education for young people with hemiplegia but in recent years has developed its skills and knowledge to meet the needs of students who have found their access to education a challenge. We are able to make provision for children with acute or chronic medical conditions, ASD and a range of mild physical disabilities. Our expertise in these areas is increasingly recognised by families and local authorities resulting in large numbers of applications for a placement with us.

The School is spread over two sites, within walking distance of each other. It has excellent facilities and enjoys a great relationship with the local community.

We are an educational community that is creative, supportive, challenging and rewarding. Learning and teaching is based on shared values and beliefs, which provide a sense of hope and high expectations. We ensure we deliver these goals through a clear leadership and management structure that has developed and expanded. We are working hard to build and maintain effective partnerships with the families of the children. As a result, their contributions are actively sought and valued by staff. Our Schools' curriculum is broad, balanced and relevant, well matched to the personal needs of every student. We tailor our provision to need, using our resources, teaching styles and strategies effectively, ensuring that the curriculum goes beyond entitlement; extending and enriching each child's experience. Access to learning is greatly enhanced by the higher level of specialist therapeutic provision we are now able to make.

Our approach enables students to become more resilient in their attitudes and ability to learn and develop as responsible adults so that they may take their place and make a positive contribution within their community. The Post-16 offer has been specifically developed so as to support a successful transition to further education or employment. A stronger emphasis on work related learning has seen a significant increase in business and community links.

Achievements and performance

Student Success

Students in year 11 completed level 2 qualifications in GCSEs, BTECs and functional skills. All students in year 11 achieved outcomes in line with their individual targets at level 2. A small number of students had a target to complete a level 1 qualification and achieved this in line with their individual targets.

All students in post 16 passed the level 2 Workskills course.

All students in year 11 and post 16 have successfully progressed to continue their studies in specialist provision or FE college.

Summary of qualification outcomes: year 11 and post 16

Subject	Cohort size	9	8	7	6	5	4	3	2	1/L1	% 4+ L2 pass
English iGCSE	5	1			2			2			60%
English L2 functional skills	4						4 (pass)				100%
English L2 functional skills	2									2	100% L1 pass
Maths GCSE	9		1	1	1	1	1		3	1	56%
GCSE statistics	1	1									100%
Additional maths	1	A grade									100%
Maths L1 number and measure	1									2	100% L1 pass
GCSE Science (double award)	1	1	2	4	1	2	1	7	2	1	50%
GCSE History	2	2									100%
GCSE Music	3			1		1	1				100%
GCSE computing	3				1		1			1	67%

	Distinction *	Distinction	Merit	Pass	Level 1	
BTEC Art			1			100%
BTEC Media				2		100%
BTEC Animal Care			1	2		100%
BTEC Performing Arts			1	1		100%
BTEC Workskills				3		100%

Financial review

Total Income for the year was £3,947,158 (£3,315,806 in 2021-22), which includes £93,734 in Donations and Legacies (£123,059 in 2021-22). Income from lettings during the year was £66,648 (£64,139 in 2021-22). Total expenditure for the year was £3,582,491 (£3,136,536 in 2021-22); creating a surplus of £364,667 (£179,270 in 2021-22).

Reserves Policy

The Charity's unrestricted funds were in surplus of £1,683,970 at 31 August 2023 (surplus of £1,329,861 at 31 August 2022) and restricted funds were £10,558 (Nil at 31 August 2022). The Charity's policy is to maintain sufficient reserves to mitigate against a temporary shortfall in income (or unexpected exceptional costs) and to provide funding for planned development initiatives.

Reflection

During the academic year 2022-23, an average of 96 young people were enrolled at the School, aged 7-19 years old; organised into 13 teaching groups, according to their age. The School is managed by a strong leadership team who continue to drive school development to maintain and exceed the outcome of the successful Ofsted inspection February 2022 (outcome – Good).

The Governors have strengthened the breadth of their skills-set to further support and challenge the Senior Leadership Team and have recruited new governors including parent governors and an Alumni Governor to the Governing Body. Governors and management continue to focus on improving the core offer of the School with a view to the next stage of its development. The School is determined to deliver its ambitious development plans; building upon its firm foundations.

The Trustees have produced a register of the significant risks faced by the Charity. As a result, policies and procedures designed to minimise risk have been reviewed and, where appropriate, revised to ensure that they remain effective.

The Future

The School was established and initially supported by the COINS (now known as Leo Lion Foundation)_and DFN Charitable Foundations but is now secure in its ability to fund future developments from its own resources. With demand for places expected to increase, the school successfully applied to increase PAN from 95 to 115. The School Admission's team continues to work closely with local authorities and families in order to ensure that spaces are offered to young learners with SEND who meet the admission criteria of the school.

Students' progress through each phase of their education with the aim of achieving academic qualifications and life skills that will allow them to access further education or employment opportunities and beyond. The school is proud to hold flagship status with The Skills Builder organisation and its principles are embedded throughout the school's curriculum provision. Students are encouraged to work on 8 essential skills that employers and colleges will look for when attracting young people to join their college or business.

This flagship status allows staff at Undershaw to provide outreach to support mainstream, SEND and employment providers to access and implement this valuable skills framework.

Building on the success of the previous academic year we continue to be ambitious for the school and the students. Our comprehensive School Development Plan identifies the strategic direction of the school and there are some exciting plans for the forthcoming year – bespoke staff development opportunities; new spaces for our young learners; new accreditations and links with an international school.

Structure, governance and management
The School is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

D Forbes-Nixon	(Resigned 13 December 2022)
L Sullivan	(Resigned 13 December 2022)
J Franklin	
M Elms	(Resigned 26 September 2023)
C Cookson	
C Baskerville	
K Heath	
W Karlsen	
C Westbury	
D Gerring	(Appointed 1 September 2022)
N Ghalib	(Appointed 11 July 2023)
O Jones	(Appointed 26 September 2023)
J Robards	(Appointed 10 October 2023)
L Sheridan	(Appointed 26 September 2023)
T Stone	(Appointed 26 September 2023)
C Wickens	(Appointed 26 September 2023)

Method of Recruitment and Appointment of Trustees
The Governing board advertises vacancies on the website and through partner organisations. Candidates are asked to provide an overview of their interest and qualifications in relation to the position and they will be interviewed by the Chair of Governors and visit the School.

If the vacancy is one of our Foundation-nominated places the successful candidate will be put forward by the Foundation to the full Governing Board. Staff and parent governors are elected by the relevant stakeholder parties and nominated to the Board; they too are interviewed for suitability by the Chair of Governors. Details of the number and nomination of Governors is detailed in the Articles of Association of the School.

All nominated Governors must be agreed by the full Governing Board and checks take place prior to them becoming trustees of the Charity.

Organisational structure
Undershaw Education charity trustees are also directors of the Company and Governors of the School. The management of the School is delegated to the Executive Headteacher who reports directly to the Governing Board.

The Charity maintains Trustees' Liability insurance in respect of legal action that might be brought against its directors.

No preference dividends were paid. The Directors do not recommend payment of a final dividend.

Statement of Public Benefit
The Directors have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular, the Directors consider how planned activities will contribute to the aims and objectives they have set.

The Directors believe they meet the requirements to demonstrate that their activities provide public benefit. Primarily, this is delivered by providing specialised education and related services and facilities to highly complex needy and often disadvantaged children and young people. This also has the benefit of providing support to the families of these children. The services and provision of the Schools also assist the State in discharging legal obligations to provide a statutory education for children and young people unable to access a statutory right to education in mainstream education provision.

During the year Directors, acting as governors of the School, have promoted community access to School and in particular continued to ensure public access to the historical Undershaw property.

Auditor

In accordance with the company's articles, a resolution proposing that Westmore Accounting Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

.....

J Franklin
Trustee
Dated: 30 April 2024

.....

D Gerring
Trustee
Dated:30 April 2024

.....

J Robards
Trustee
Dated:30 April 2024

UNDERSHAW EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees, who are also the directors of Undershaw Education Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the School 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 Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the School 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 School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

UNDERSHAW EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF UNDERSHAW EDUCATION TRUST

Opinion

We have audited the financial statements of Undershaw Education Trust (the 'School') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the School for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 the 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.

- Identified the legal and regulatory framework within which the company operates to determine the material amounts and disclosures in the financial statements;
- Reviewed the company's internal control procedures in order to assess the level of risk, including fraud risk;
- Tested sample items to supporting documentation, including third party confirmations and journal entries;
- Performed walkthrough tests to determine the implementation of systems and controls;
- Assessed the accuracy of disclosures in the financial statements.

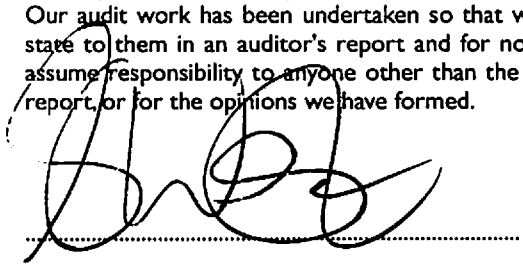
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF UNDERSHAW EDUCATION TRUST

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Weston (Senior Statutory Auditor)
for and on behalf of Westmore Accounting Limited
Chartered Certified Accountants
Ryefield Court
81 Joel Street
Northwood Hills
Middlesex
HA6 1LL

30 April 2024

Westmore Accounting Limited is eligible for appointment as auditor of the School by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

UNDERSHAW EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £
Income from:					
Donations and legacies	4	66,440	27,294	93,734	123,059
Charitable activities	3	3,786,689	-	3,786,689	3,128,544
Other trading activities	5	66,648	-	66,648	64,139
Investments	6	87	-	87	64
Total income		3,919,864	27,294	3,947,158	3,315,806
Expenditure on:					
Charitable activities	7	3,540,169	42,322	3,582,491	3,136,536
Net incoming/(outgoing) resources before transfers		379,695	(15,028)	364,667	179,270
Gross transfers between funds		(25,586)	25,586	-	-
Net income for the year/ Net movement in funds		354,109	10,558	364,667	179,270
Fund balances at 1 September 2022		1,329,861	-	1,329,861	1,150,591
Fund balances at 31 August 2023		1,683,970	10,558	1,694,528	1,329,861

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

UNDERSHAW EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		742,612		774,810
Current assets					
Debtors	13	85,302		503,838	
Cash at bank and in hand		1,287,030		935,391	
		1,372,332		1,439,229	
Creditors: amounts falling due within one year	15	(220,416)		(584,178)	
Net current assets			1,151,916		855,051
Total assets less current liabilities			1,894,528		1,629,861
Creditors: amounts falling due after more than one year	16		(200,000)		(300,000)
Net assets			1,694,528		1,329,861
Income funds					
Restricted funds	17		10,558		-
Unrestricted funds			1,683,970		1,329,861
			1,694,528		1,329,861

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

The accounts were approved by the Trustees on 30 April 2024

J Franklin
Trustee

D Gerring
Trustee

J Robards
Trustee

Company Registration No. 02889781

1 Accounting policies

Charity information

Undershaw Education Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Undershaw, Portsmouth Road, Hindhead, Surrey, GU26 6AQ.

1.1 Accounting convention

The accounts have been prepared in accordance with the School's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The School is a Public Benefit Entity as defined by FRS 102.

The School has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, [modified to indude the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the School.

1.4 Incoming resources

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

Cash donations are recognised on receipt. Other donations are recognised once the School has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the School has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies **(Continued)**

1.5 Resources expended

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

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

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

Leasehold land and buildings	3 years straight line
Plant and equipment	5 years straight line
Fixtures and fittings	3 years straight line
Computers	3 years straight line
Motor vehicles	5 years straight line

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

1 Accounting policies **(Continued)**

Basic financial assets

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

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the School's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the School's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Charitable activities

	School fees 2023 £	School fees 2022 £
School fees	3,725,096	3,088,367
Grants	61,593	40,177
	3,786,689	3,128,544

4 Donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £
Fundraising	66,440	27,294	93,734	123,059

5 Other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Letting and licensing arrangements	66,648	64,139

6 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	87	64

7 Charitable activities

	Charitable Expenditure 2023	Charitable Expenditure 2022
	£	£
Staff costs	2,527,614	2,169,542
Education	98,215	84,090
Therapy	120,501	124,946
General direct costs	26,034	18,869
Facilities costs	224,697	204,843
Insurance	61,882	62,075
Repairs and maintenance	192,751	40,609
Administration costs	26,981	38,263
Telecommunications	13,135	12,359
Motor and travelling expenses	11,615	10,203
Legal and professional	54,199	115,086
Computer software and maintenance	105,611	130,894
Indirect staff costs	44,190	54,437
Bank charges	1,623	1,789
Depreciation	66,723	61,811
	3,575,771	3,129,816
Share of governance costs (see note 8)	6,720	6,720
	3,582,491	3,136,536
Analysis by fund		
Unrestricted funds	3,540,169	3,136,536
Restricted funds	42,322	-
	3,582,491	3,136,536

8 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Audit fees	-	6,720	6,720	6,720
	-	6,720	6,720	6,720
Analysed between				
Charitable activities	-	6,720	6,720	6,720

Governance costs includes payments to the auditors of £6,720 (2022- £6,720) for audit fees.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the School during the year.

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Education including therapists	54	53
Support and administration	21	22
Total	75	75

Employment costs	2023 £	2022 £
Wages and salaries	2,293,811	2,006,341
Other pension costs	233,803	163,201
	2,527,614	2,169,542

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
Over £60,000	2	2

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxationof Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 September 2022	725,899	29,969	55,354	234,959	76,950	1,123,131
Additions	-	12,524	2,570	19,430	-	34,524
Disposals	-	-	-	(1,702)	-	(1,702)
At 31 August 2023	725,899	42,493	57,924	252,687	76,950	1,155,953
Depreciation and impairment						
At 1 September 2022	42,871	7,649	49,754	187,491	60,555	348,320
Depreciation charged in the year	18,681	7,547	4,147	27,437	8,911	66,723
Eliminated in respect of disposals	-	-	-	(1,702)	-	(1,702)
At 31 August 2023	61,552	15,196	53,901	213,226	69,466	413,341
Carrying amount						
At 31 August 2023	664,347	27,297	4,023	39,461	7,484	742,612
At 31 August 2022	683,028	22,320	5,599	47,468	16,395	774,810

12 Tangible fixed assets (Continued)

The carrying value of land included in land and buildings comprises:

	2023	2022
	£	£
Freehold	600,263	600,263

13 Debtors

Amounts falling due within one year:	2023 £	2022 £
Trade debtors	11,545	462,412
Prepayments and accrued income	73,757	41,426
	85,302	503,838

14 Loans and overdrafts

	2023	2022
	£	£
Other loans	300,000	400,000
Payable within one year	100,000	100,000
Payable after one year	200,000	300,000

15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Borrowings	100,000	100,000
Trade creditors	78,168	24,186
Other creditors	934	538
Accruals and deferred income	41,314	459,454
	220,416	584,178

16 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Borrowings	200,000	300,000

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds			
	Incoming resources	Balance at 1 September 2022	Incoming resources	Resources expended	Transfers	Balance at 31 August 2023
	£	£	£	£	£	£
Surrey Para Games Fund	-	-	4,841	-	-	4,841
Regulation Room Fund	-	-	5,000	(2,855)	-	2,145
Play Equipment Fund	-	-	11,862	(29,143)	20,853	3,572
Library Fund	-	-	5,591	(10,324)	4,733	-
	-	-	27,294	(42,322)	25,586	10,558

18 Analysis of net assets between funds

	Unrestricted funds 2023	Restricted funds 2023	Total 2023	Unrestricted funds 2022
	£	£	£	£
Fund balances at 31 August 2023 are represented by:				
Tangible assets	742,612	-	742,612	774,810
Current assets/(liabilities)	1,151,916	-	1,151,916	855,051
Long term liabilities	(200,000)	-	(200,000)	(300,000)
	1,694,528	-	1,694,528	1,329,861

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	401,114	373,978

19 Related party transactions **(Continued)**

Transactions with related parties

During the year the School entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2023	2022	2023	2022
	£	£	£	£
DFN Charitable Foundation	-	-	151,762	134,382
	-	-	151,762	134,382

	Donations received			
	2023	2022	2023	2022
	£	£	£	£
DFN Charitable Foundation	28,500	40,412	-	-
COINS Foundation	15,512	10,000	-	-
	44,012	50,412	-	-

All of the above related parties have significant influence over the Board of Undershaw Education Trust.

The purchase of goods above relates to the rental paid to DFN Charitable Foundation for the school site located at Undershaw.

During the year to 31 August 2020, COINS Foundation sold the Tower Road site to the School for £600,000. A professional valuation was undertaken and the sale price was based on this valuation.

In order to facilitate the purchase of this property COINS Foundation extended a loan to the school of £600,000. The loan agreement was signed by the relevant parties on 17 June 2020 and as such the full amount has been included within the accounts as borrowings. The loan is interest free with the first payment due on 1 September 2020 and termly thereafter; the final payment being on 1 May 2026.

The value of the loan at the year ended 31 August 2023 amounted to £300,000 (2022 - £400,000).

Undershaw Education Trust

England & Wales - Charity number 1039622

Accounts

Charity Registration No. 1039622

Company Registration No. 02889781 (England and Wales)

Undershaw Education Trust

Annual Report and Financial Statements

For the Year Ended 31 August 2022

David Graham Associates
Chartered Certified Accountants and Registered Auditors
Ryefield Court
81 Joel Street
Northwood Hills
Middlesex
HA6 1LL

UNDERSHAW EDUCATION TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Franklin	
	M Elms	
	C Cookson	
	C Baskerville	(Appointed 1 September 2021)
	K Heath	(Appointed 1 September 2021)
	W Karlsen	(Appointed 1 September 2021)
	C Westbury	(Appointed 1 September 2021)
	D Gerring	(Appointed 1 September 2022)
Charity number	1039622	
Company number	02889781	
Registered office	Undershaw Portsmouth Road Hindhead Surrey GU26 6AQ	
Auditor	David Graham Associates Ryefield Court 81 Joel Street Northwood Hills Middlesex HA6 1LL	

UNDERSHAW EDUCATION TRUST

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UNDERSHAW EDUCATION TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report and financial statements for the year ended 31 August 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the School's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The objective of Undershaw Education ('the School') is to be an inclusive school where the best interests of the child are at the heart of everything that we do. A school where we empower students to aspire and achieve. A caring and safe environment which allows students to thrive and flourish and prepares them to be socially and economically engaged in the future.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the School should undertake.

Undershaw Education is a specialist provision for students with a range of mild to moderate learning disabilities such as ASD (high functioning), cerebral palsy, hemiplegia and medical vulnerabilities, for whom neither mainstream nor a more specialist SEN provision would meet their educational needs. Undershaw Education sits in the niche just between the two.

The School was established by parents of former students, out of their passion to create something very special for their children which could be tailored to meet her individual needs. That passion and approach continues to this day as seen in the high expectations set by the entire Undershaw Education team for each and every child attending the School. We aim to promote the rights, needs and aspirations of students who have special needs and their families. We offer a package of high quality education, training, therapy and care in order for our students to thrive. We measure our success as a School through the qualification and life outcomes achieved by our students and aim for them to become fully contributing members of their community and society.

The School is based in Hindhead, Surrey, on the border with Hampshire and close to West Sussex. Students are referred from all three of these local authorities as well as further afield e.g. South London. The School initially established itself as a first-class provider of care and education for young people with hemiplegia but in recent years has developed its skills and knowledge to meet the needs of students who have found their access to education a challenge. We are able to make provision for children with acute or chronic medical conditions, high functioning mild autism and a range of mild physical disabilities. Our expertise in these areas is increasingly recognized by families and local authorities resulting in large numbers of applications for a placement with us.

The School is spread over two sites, within walking distance of each other. It has excellent facilities and enjoys a great relationship with the local community.

We are an educational community that is creative, supportive, challenging and rewarding. Learning and teaching is based on shared values and beliefs, which provide a sense of hope and high expectations. We ensure we deliver these goals through a clear leadership and management structure that has developed and expanded. We are working hard to build and maintain effective partnerships with the families of the children. As a result, their contributions are actively sought and valued by staff. Our Schools' curriculum is broad, balanced and relevant, well matched to the personal needs of every student. We tailor our provision to need, using our resources, teaching styles and strategies effectively, ensuring that the curriculum goes beyond entitlement; extending and enriching each child's experience. Access to learning is greatly enhanced by the higher level of specialist therapeutic provision we are now able to make.

Our approach enables students to become more resilient in their attitudes and ability to learn and develop as responsible adults so that they may take their place and make a positive contribution within their community. The Post-16 offer has been specifically developed so as to support a successful transition to further education or employment. A stronger emphasis on work related learning has seen a significant increase in business and community links.

Achievements and performance

Student Success

For the first time since 2019 (pre-covid), students in year 10, 11 and Post 16 were entered for GCSE, BTEC and functional skills examinations. This was in-line with the national picture, as exams did not take place in 2020 or 2021. Students in year 11 (4) completed level 2 qualifications in GCSEs, BTECs and functional skills. All students in year 11 achieved outcomes in line with their individual targets.

All students in post-16 achieved or exceeded their individual targets in a range of BTEC and GCSE courses. All students in year 11 and post-16 have successfully progressed to continue their studies in specialist provision or FE college.

Subject	Cohort size	9	8	7	6	5	4	3	2	1/L1	% 4+ (L2 pass)
English	5					1	1 (+1 FSK L2 pass)	1		1	60%
Maths	4	1			1		1 (+1 FSK L2 pass)				100%
Science	4			1 (7-7)		1 (5-4)	1 (4-3)	1 (3-2)			63%
Geography	3					1		1	1		33%
GCSE Art	1					1					100%
GCSE Computing	2		1	1							100%
		Distinction *	**Distinction**	**Merit**	**Pass**	**Level 1**					
BTEC Music	1	1									100%
BTEC Media	2				2						100%
BTEC Animal care	7 (3 Yr10)	2		1	4						100%
ELC History (L1)	1									1	-

Financial review

Total Income for the year was £3,315,806 (£3,411,339 in 2020-21), which includes £123,059 in Donations and Legacies (£80,248 in 2019-20). Income from lettings during the year was £64,139 (£23,018 in 2020-21); the increase due entirely to the easing of Covid 19 restrictions. Total expenditure for the year was £3,136,536 (£3,253,098 in 2020-21); creating a surplus of £179,270 (£158,241 in 2020-21).

Reserves Policy

The Charity's unrestricted funds were in surplus of £1,329,861 at 31 August 2022 (surplus of £1,150,591 at 31 August 2021) and Restricted Reserves were £Nil. The Charity's policy is to maintain sufficient reserves to mitigate against a temporary shortfall in income (or unexpected exceptional costs) and to provide funding for planned development initiatives.

Reflection

During the academic year 2021-22, 95 young people were enrolled at the School, aged 7-19 years old; organised into 13 teaching groups, according to their age and ability in each curriculum subject. The School has embedded itself across the two sites. After a successful Ofsted in February 2022, the then Acting Headteacher was appointed as the permanent Headteacher of Undershaw. The leadership team consisted of a director of Safeguarding (DSL), an Acting Head of School (Pastoral), Acting Head of Education (Academic) and a Head of SEND. The acting roles provided an opportunity to review the needs of the school and restructure the roles within the leadership team from September 2022.

The Governors have strengthened the breadth of their skills-set to further support and challenge the Senior Leadership Team and have recruited new governors including parent governors to the Governing Body. Governors and management continue to focus on improving the core offer of the School with a view to the next stage of its development. The School is determined to deliver its ambitious development plans; building upon its firm foundations.

The Trustees have produced a register of the significant risks faced by the Charity. As a result, policies and procedures designed to minimise risk have been reviewed and, where appropriate, revised to ensure that they remain effective. Progress with risk-control action plans are reviewed regularly and Trustees have undertaken to review the entire Risk Register at least annually.

The Future

The School was established and initially supported by the COINS and DFN Charitable Foundations but is now secure in its ability to fund future developments from its own resources. The School is currently full and holding a waiting list and remains in demand with increasing consultations for placement from the local authorities. We have a key role to play in social change and will ensure that we are pinnacle to influencing this in the world of young people with Special Educational needs and disabilities.

Building on the success of the previous academic year we continued to be ambitious for the school and the students. Our comprehensive School Development Plan identified the strategic direction of the school and through regular reviews of progress by the leadership team and reports to Governors impressive gains were made in moving the school forward. The new curriculum was improved to include thematic learning for key stage 2, Project Based Learning for Key stage 3 and a broader range of GCSE and BTEC courses at KS4. Strong links were built with a farm based provision and our first cohort of BTEC Animal Care completed their qualification. A new assessment model was introduced to improve the reliability of assessment data; standardised cognitive ability testing and reading age tests were used with the students to ensure high aspirations for all.

Structure, governance and management
The School is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

D Forbes-Nixon	(Resigned 13 December 2022)
L Sullivan	(Resigned 13 December 2022)
J Franklin	
M Elms	
C Cookson	
L Law	(Resigned 28 September 2021)
D Tomasz	(Resigned 13 December 2021)
C Baskerville	(Appointed 1 September 2021)
K Heath	(Appointed 1 September 2021)
W Karlsen	(Appointed 1 September 2021)
S Setterfield	(Resigned 12 July 2022)
C Westbury	(Appointed 1 September 2021)
D Gerring	(Appointed 1 September 2022)

Method of Recruitment and Appointment of Trustees
The Governing board advertises vacancies on the website and through partner organisations. Candidates are asked to provide an overview of their interest and qualifications in relation to the position and they will be interviewed by the Chair of Governors and visit the School.

If the vacancy is one of our Foundation-nominated places the successful candidate will be put forward by the Foundation to the full Governing Board. Staff and parent governors are elected by the relevant stakeholder parties and nominated to the Board; they too are interviewed for suitability by the Chair of Governors. Details of the number and nomination of Governors is detailed in the Articles of Association of the School.

All nominated Governors must be agreed by the full Governing Board and checks take place prior to them becoming trustees of the Charity.

Organisational structure
Undershaw Education charity trustees are also directors of the Company and Governors of the School. The management of the School is delegated to the Executive Headteacher who reports directly to the Governing Board.

The Charity maintains Trustees' Liability insurance in respect of legal action that might be brought against its directors.

No preference dividends were paid. The Directors do not recommend payment of a final dividend.

Statement of Public Benefit
The Directors have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular, the Directors consider how planned activities will contribute to the aims and objectives they have set.

The Directors believe they meet the requirements to demonstrate that their activities provide public benefit. Primarily, this is delivered by providing specialised education and related services and facilities to highly complex needy and often disadvantaged children and young people. This also has the benefit of providing support to the families of these children. The services and provision of the Schools also assist the State in discharging legal obligations to provide a statutory education for children and young people unable to access a statutory right to education in mainstream education provision.

During the year Directors, acting as governors of the School, have promoted community access to School and in particular continued to ensure public access to the historical Undershaw property.

Auditor

In accordance with the company's articles, a resolution proposing that David Graham Associates be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

.....

J Franklin
Trustee
Dated: 24 March 2023

.....

D Gerring
Trustee
Dated:24 March 2023

UNDERSHAW EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees, who are also the directors of Undershaw Education Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the School 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 Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the School 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 School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

UNDERSHAW EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF UNDERSHAW EDUCATION TRUST

Opinion
We have audited the financial statements of Undershaw Education Trust (the 'School') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

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

Our responsibilities and the responsibilities of the 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 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.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:
- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF UNDERSHAW EDUCATION TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the School for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....

Simon Weston (Senior Statutory Auditor)
for and on behalf of David Graham Associates
Statutory Auditor

Ryefield Court
81 Joel Street
Northwood Hills
Middlesex
HA6 1LL
24 March 2023

David Graham Associates is eligible for appointment as auditor of the School by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

UNDERSHAW EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Income from:			
Donations and legacies	4	123,059	80,248
Charitable activities	3	3,128,544	3,307,977
Other trading activities	5	64,139	23,018
Investments	6	64	96
Total income		3,315,806	3,411,339
Expenditure on:			
Charitable activities	7	3,136,536	3,253,098
Net income for the year/ Net movement in funds		179,270	158,241
Fund balances at 1 September 2021		1,150,591	992,350
Fund balances at 31 August 2022		1,329,861	1,150,591

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

UNDERSHAW EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		774,810		683,978
Current assets					
Debtors	12	503,838		846,227	
Cash at bank and in hand		935,391		1,099,605	
		1,439,229		1,945,832	
Creditors: amounts falling due within one year	14	(584,178)		(1,079,219)	
Net current assets			855,051		866,613
Total assets less current liabilities			1,629,861		1,550,591
Creditors: amounts falling due after more than one year	15		(300,000)		(400,000)
Net assets			1,329,861		1,150,591
Income funds					
Unrestricted funds			1,329,861		1,150,591
			1,329,861		1,150,591

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

The accounts were approved by the Trustees on 24 March 2023

J Franklin
Trustee

D Gerring
Trustee

Company Registration No. 02889781

1 Accounting policies

Charity information

Undershaw Education Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Undershaw, Portsmouth Road, Hindhead, Surrey, GU26 6AQ.

1.1 Accounting convention

The accounts have been prepared in accordance with the School's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The School is a Public Benefit Entity as defined by FRS 102.

The School has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the School.

1.4 Incoming resources

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

Cash donations are recognised on receipt. Other donations are recognised once the School has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the School has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies **(Continued)**

1.5 Resources expended

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

1.6 Tangible fixed assets

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

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

Leasehold land and buildings	3 years straight line
Plant and equipment	5 years straight line
Fixtures and fittings	3 years straight line
Computers	3 years straight line
Motor vehicles	5 years straight line

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1 Accounting policies (Continued)

1.9 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the School's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the School's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Charitable activities

	School fees 2022 £	School fees 2021 £
School fees	3,088,367	3,181,361
Grants	40,177	126,616
	3,128,544	3,307,977

4 Donations and legacies

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Fundraising	123,059	80,248

5 Other trading activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Letting and licensing arrangements	64,139	23,018

6 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	64	96

7 Charitable activities

	Charitable Expenditure 2022	Charitable Expenditure 2021
	£	£
Staff costs	2,169,542	2,326,591
Education	84,090	37,421
Therapy	124,946	232,919
General direct costs	18,869	10,445
Facilities costs	204,843	174,793
Insurance	62,075	48,391
Repairs and maintenance	40,609	37,082
Administration costs	38,263	43,056
Telecommunications	12,359	14,304
Motor and travelling expenses	10,203	5,509
Legal and professional	115,086	112,489
Computer software and maintenance	130,894	97,696
Indirect staff costs	54,437	40,230
Sundry expenses	-	142
Bank charges	1,789	2,135
Depreciation	61,811	62,895
	3,129,816	3,246,098
Share of governance costs (see note 8)	6,720	7,000
	3,136,536	3,253,098

8 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Audit fees	-	6,720	6,720	-	7,000	7,000
	-	6,720	6,720	-	7,000	7,000
Analysed between Charitable activities	-	6,720	6,720	-	7,000	7,000

Governance costs includes payments to the auditors of £6,720 (2021- £7,000) for audit fees.

9 Trustees

One Trustee received remuneration of £47,081 for work done within the school. This remuneration ended on 31 August 2022.

10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Education including therapists	53	53
Support and administration	22	22
Total	75	75

Employment costs	2022 £	2021 £
Wages and salaries	2,006,341	2,141,560
Other pension costs	163,201	185,031
	2,169,542	2,326,591

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
Over £60,000	2	1

11 **Tangible fixed assets**

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 September 2021	629,618	12,777	54,360	196,780	76,950	970,485
Additions	96,281	17,192	993	38,179	-	152,645
At 31 August 2022	725,899	29,969	55,353	234,959	76,950	1,123,130
Depreciation and impairment						
At 1 September 2021	29,355	5,375	43,036	157,098	51,644	286,508
Depreciation charged in the year	13,516	2,274	6,718	30,393	8,911	61,812
At 31 August 2022	42,871	7,649	49,754	187,491	60,555	348,320
Carrying amount						
At 31 August 2022	683,028	22,320	5,599	47,468	16,395	774,810
At 31 August 2021	600,263	7,402	11,325	39,681	25,307	683,978

11 Tangible fixed assets (Continued)

The carrying value of land included in land and buildings comprises:

	2022	2021
	£	£
Freehold	600,263	600,263

12 Debtors

Amounts falling due within one year:	2022 £	2021 £
Trade debtors	462,412	710,611
Prepayments and accrued income	41,426	135,616
	503,838	846,227

13 Loans and overdrafts

	2022	2021
	£	£
Other loans	400,000	500,000
Payable within one year	100,000	100,000
Payable after one year	300,000	400,000

14 Creditors: amounts falling due within one year

	2022	2021
	£	£
Borrowings	100,000	100,000
Other taxation and social security	-	4,995
Trade creditors	24,186	32,868
Other creditors	538	859
Accruals and deferred income	459,454	940,497
	584,178	1,079,219

15 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Borrowings	300,000	400,000

16 Related party transactions

Remuneration of key management personnel
The remuneration of key management personnel is as follows.

	2022	2021
	£	£
Aggregate compensation	373,978	333,848

Transactions with related parties
During the year the School entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2022	2021	2022	2021
	£	£	£	£
DFN Charitable Foundation	-	-	134,382	97,596
	-	-	134,382	97,596

	Donations received			
	2022	2021	2022	2021
	£	£	£	£
DFN Charitable Foundation	40,412	25,000	-	-
COINS Foundation	10,000	25,000	-	-
	50,412	50,000	-	-

All of the above related parties have significant influence over the Board of Undershaw Education Trust.

16 **Related party transactions** **(Continued)**

The purchase of goods above relates to the rental paid to DFN Charitable Foundation for the school site located at Undershaw.

During the year to 31 August 2020, COINS Foundation sold the Tower Road site to the School for £600,000. A professional valuation was undertaken and the sale price was based on this valuation.

In order to facilitate the purchase of this property COINS Foundation extended a loan to the school of £600,000. The loan agreement was signed by the relevant parties on 17 June 2020 and as such the full amount has been included within the accounts as borrowings. The loan is interest free with the first payment due on 1 September 2020 and termly thereafter; the final payment being on 1 May 2026.

The value of the loan at the year ended 31 August 2022 amounted to £400,000 (2020 - £500,000).

Undershaw Education Trust

England & Wales - Charity number 1039622

Accounts

Charity Registration No. 1039622

Company Registration No. 02889781 (England and Wales)

Undershaw Education Trust

Annual Report and Financial Statements

For the Year Ended 31 August 2021

David Graham Associates
Chartered Certified Accountants and Registered Auditors
Ryefield Court
81 Joel Street
Northwood Hills
Middlesex
HA6 1LL

UNDERSHAW EDUCATION TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D Forbes-Nixon	
	L Sullivan	
	J Franklin	
	M Elms	
	C Cookson	
	D Tomasz	(Appointed 1 December 2020)
	C Baskerville	(Appointed 1 September 2021)
	K Heath	(Appointed 1 September 2021)
	W Karlsen	(Appointed 1 September 2021)
	S Setterfield	
	C Westbury	(Appointed 1 September 2021)
Charity number	1039622	
Company number	02889781	
Registered office	Undershaw Portsmouth Road Hindhead Surrey GU26 6AQ	
Auditor	David Graham Associates Ryefield Court 81 Joel Street Northwood Hills Middlesex HA6 1LL	

UNDERSHAW EDUCATION TRUST

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UNDERSHAW EDUCATION TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their report and financial statements for the year ended 31 August 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the School's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

In 2003 Construction Industry Solutions Limited, purchased the church at Tower Road and converted it into a special needs school. Stepping Stones School ('the School') opened in 2004 with Ofsted approval. The school was financially supported by Construction Industry Solutions Limited until it became financially independent. In 2012 the David Forbes-Nixon Charitable Foundation purchased and fully funded the re-development of the Undershaw site, increasing the school's capacity to enroll 100 mild to moderate learners across a lower and upper school.

On the 12 May 2021 the school changed its name to Undershaw Education Trust. The objective of Undershaw Education Trust is unchanged, that is to create a positive school environment where the students can become self-confident, independent learners and gain the qualifications and skills to lead happy, active and fulfilled lives.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the School should undertake.

Undershaw Education is a specialist provision for students with a range of mild to moderate learning disabilities or ASD (high functioning) for whom neither mainstream nor a more specialist SEN provision would meet their educational needs. Undershaw Education sits in the niche just between the two.

The School was founded by parents of former students, out of their passion to create something very special for their children which could be tailored to meet her individual needs. That passion and approach continues to this day as seen in the high expectations set by the entire Undershaw Education team for each and every child attending the School. We aim to promote the rights, needs and aspirations of students who have special needs and their families. We offer a package of high quality education, training, therapy and care in order for our students to thrive. We measure our success as a School through the qualification and life outcomes achieved by our students and aim for them to become fully contributing members of their community and society.

The School is based in Hindhead, Surrey on the border with Hampshire and close to West Sussex. Students are referred from all three of these local authorities as well as further afield e.g. South London. The School initially established itself as a first-class provider of care and education for young people with hemiplegia but in recent years has developed its skills and knowledge to meet the needs of students who have found their access to education a challenge. We are able to make provision for children with acute or chronic medical conditions, high functioning mild autism and a range of mild physical disabilities, as well as youngsters whose mental and/or emotional health is at risk. Our expertise in these areas is increasingly recognized by families and local authorities resulting in large numbers of applicants for a placement with us.

The School is spread over two sites, within walking distance of each other. It has excellent facilities and enjoys a great relationship with the local community.

We are an educational community that is creative, supportive, challenging and rewarding. Learning and teaching is based on shared values and beliefs, which provide a sense of hope and high expectations. We ensure we deliver these goals through a clear leadership and management structure that has developed and expanded. We are working hard to build and maintain effective partnerships with the families of the children. As a result, their contributions are actively sought and valued by staff. Our Schools' curriculum is broad, balanced and relevant, well matched to the personal needs of every student. We tailor our provision to need, using our resources, teaching styles and strategies effectively, ensuring that the curriculum goes beyond entitlement; extending and enriching each child's experience. Access to learning is greatly enhanced by the higher level of specialist therapeutic provision we are now able to make.

Our approach enables students to become more resilient in their attitudes and ability to learn and develop as responsible adults so that they may take their place and make a positive contribution within their community. The Post-16 offer has been specifically developed so as to support a successful transition to further education or employment. A stronger emphasis on work related learning has seen a significant increase in business and community links.

Achievements and performance

Student Success

Due to COVID, exams did not take place during the summer term of 2021. Teacher Assessed Grades (TAGS) were used as the method of assessment. 19 students were entered for a range of qualifications including Functional Skills, GCSE and BTEC. 3 students completed certification in Functional Skills English Level 1 and 7 completed certification in Functional Skills Level 2. 2 students completed Entry Level qualifications. 7 students entered GCSE subjects. 12 students completed certification in BTEC subjects. All students, irrespective of the level or grade achieved, have excelled and demonstrated their potential.

Maths:

Entry Level Certificate

1 student entered and achieved a Level 2 pass.

GCSE Maths

6 students entered, 1 achieved grade 6, 1 achieved grade 5 and 4 achieved grade 4.

GCSE Statistics

1 Student entered and achieved grade 5.

English:

Entry Level Certificate

10 students entered, 7 achieved Level 2 and 3 achieved Level 1.

GCSE

2 students entered, 1 achieved grade 7 and 1 achieved grade 5.

Science:

Entry Level Certificate

1 student entered and achieved grade 3.

GCSE (Double Award)

10 students entered, 3 achieved Grade 5, 6 achieved Grade 4 and 3 achieved grade 3.

GCSE Geography

4 students entered, 1 achieved grade 6, 1 achieved grade 5, 1 achieved grade 4 and 1 achieved grade 3.

Financial review

Total Income for the year has risen to £3,411,339 (£3,028,103 in 2019-20), which includes £80,248 in Donations and Legacies (£96,017 in 2019-20). Income from lettings during the year was £23,018 (£14,573 in 2019-20); the increase due entirely to the easing of Covid 19 restrictions. Total expenditure for the year was £3,253,098 (£2,785,423 in 2019-20); creating a surplus of £158,241 (£242,680 in 2019-20).

Reserves Policy

The Charity's unrestricted funds were in surplus of £1,150,591 at 31 August 2021 (surplus of £992,350 at 31 August 2020) and Restricted Reserves were £Nil. The Charity's policy is to maintain sufficient reserves to mitigate against a temporary shortfall in income (or unexpected exceptional costs) and to provide funding for planned development initiatives.

Reflection

During the academic year 2020-21, 95 young people were enrolled at the School, aged 7-19 years old; organised into 13 teaching groups, according to their age and ability in each curriculum subject. The School has embedded itself across the two sites. The Senior Leadership Team was restructured in November 2020. This included a Director of Business & Operations, a Director of Safeguarding (DSL), Welfare and Pastoral Care (from January 2021) and a Director of Education (who joined April 2021) to lead these three key strategic areas. In May 2021 the newly appointed Director of Education became the Acting Headteacher.

In the academic year 2020/21, during partial closures and lockdowns due to the global COVID pandemic, the ongoing delivery of the curriculum was ensured through an effective use of the Microsoft Teams learning platform to deliver the curriculum and therapy. Funding continued from the Local Authorities and the school ensured that it accessed Department for Education COVID related funding (such as Catch Up Funding, COVID expenditure funding, and Mass Testing Funding). The school worked hard during the year to ensure that all students on-roll could have their needs met and, as numbers dropped below PAN in the Summer Term, so admissions work continued uninterrupted. The school has a detailed CV19 Whole School Risk Assessment in place which is updated to ensure that latest DfE and PHE guidance is followed and communicated with staff, students and relevant external parties. In addition the school has a CV19 Business Continuity Plan which has been shared with Local Authorities.

The Governors have strengthened the breadth of their skills-set to further support and challenge the Senior Leadership Team and plan to recruit new parent governors in the academic year 2021/22. Governors and management continue to focus on improving the core offer of the School with a view to the next stage of its development. The School is determined to deliver its ambitious development plans; building upon its firm foundations.

The Trustees have produced a register of the significant risks faced by the Charity. As a result, policies and procedures designed to minimise risk have been reviewed and, where appropriate, revised to ensure that they remain effective. Progress with risk-control action plans are reviewed regularly and Trustees have undertaken to review the entire Risk Register at least annually.

The Future

The School was established and initially supported by the COINS and DFN Charitable Foundations but is now secure in its ability to fund future developments from its own resources. The School remains in demand with increasing consultations for placement from the local authorities. We have a key role to play in social change and will ensure that we are pinnacle to influencing this in the world of young people with Special Educational needs and disabilities.

In the academic 2020/21 we started an exciting journey to realise the next stage of Undershaw Education' development as a school, including the creation of five curriculum areas: Employability & Life Skills, Arts, Culture and Communication, Humanities, Community and the Wider World, STEM and Nature, Animals & The Environment. We introduced new qualification pathways from KS2 to KS5, culminating in a Post 16 Transition Year with supported routes into employability or local FE colleges. We have repurposed the use of our two sites to make the main site the hub for all students with specialist provision in the Arts being delivered at the newly named Arts and Media Centre. This includes Art, Music, Media Studies, Computing and Drama. We also relocated the Post 16 provision to this site so that the students have the opportunity to plan and run music gigs and exhibitions in the future as part of their employability curriculum. We actioned a new model of therapy to include an integrated approach to therapy and mental and physical health in the lived experience of the school day and to embed a universal provision as part of our core offer.

Structure, governance and management
The School is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

D Forbes-Nixon	
L Sullivan	
J Franklin	
T Armitage	(Resigned 21 July 2021)
M Elms	
C Cookson	
L Law	(Resigned 28 September 2021)
P Langman	(Resigned 18 December 2020)
S Clark	(Resigned 18 December 2020)
D Tomasz	(Appointed 1 December 2020)
C Baskerville	(Appointed 1 September 2021)
K Heath	(Appointed 1 September 2021)
W Karlsen	(Appointed 1 September 2021)
S Setterfield	
C Westbury	(Appointed 1 September 2021)

Method of Recruitment and Appointment of Trustees
The Governing board advertises vacancies on the website and through partner organisations. Candidates are asked to provide an overview of their interest and qualifications in relation to the position and they will be interviewed by the Chair of Governors and visit the School.

If the vacancy is one of our Foundation-nominated places the successful candidate will be put forward by the Foundation to the full Governing Board. Staff and parent governors are elected by the relevant stakeholder parties and nominated to the Board; they too are interviewed for suitability by the Chair of Governors. Details of the number and nomination of Governors is detailed in the Articles of Association of the School.

All nominated Governors must be agreed by the full Governing Board and checks take place prior to them becoming trustees of the Charity.

Organisational structure
Undershaw Education charity trustees are also directors of the Company and Governors of the School. The management of the School is delegated to the Executive Headteacher who reports directly to the Governing Board.

The Charity maintains Trustees' Liability insurance in respect of legal action that might be brought against its directors.

The Directors do not recommend payment of a final dividend.

Statement of Public Benefit

The Directors have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular, the Directors consider how planned activities will contribute to the aims and objectives they have set.

The Directors believe they meet the requirements to demonstrate that their activities provide public benefit. Primarily, this is delivered by providing specialised education and related services and facilities to highly complex needy and often disadvantaged children and young people. This also has the benefit of providing support to the families of these children. The services and provision of the Schools also assist the State in discharging legal obligations to provide a statutory education for children and young people unable to access a statutory right to education in mainstream education provision.

During the year Directors, acting as governors of the School, have promoted community access to School and in particular continued to ensure public access to the historical Undershaw property.

Auditor

In accordance with the company's articles, a resolution proposing that David Graham Associates be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

.....

D Forbes-Nixon
Trustee
Dated: 22 March 2022

.....

L Sullivan
Trustee
Dated:22 March 2022

UNDERSHAW EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees, who are also the directors of Undershaw Education Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the School 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 Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the School 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 School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

UNDERSHAW EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF UNDERSHAW EDUCATION TRUST

Opinion

We have audited the financial statements of Undershaw Education Trust (the 'School') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Emphasis of matter

We draw attention to note 1.2 of the financial statements, which describes the economic and social consequences the school is facing as a result of Covid-19. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the School for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

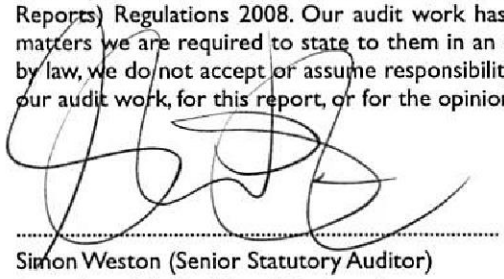
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting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

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF UNDERSHAW EDUCATION TRUST

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....

Simon Weston (Senior Statutory Auditor)
for and on behalf of David Graham Associates
Statutory Auditor

Ryefield Court
81 Joel Street
Northwood Hills
Middlesex
HA6 1LL
22 March 2022

David Graham Associates is eligible for appointment as auditor of the School by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

UNDERSHAW EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Income from:			
Donations and legacies	3	80,248	96,017
Charitable activities	4	3,307,977	2,917,265
Other trading activities	5	23,018	14,573
Investments	6	96	248
Total income		3,411,339	3,028,103
Expenditure on:			
Charitable activities	7	3,253,098	2,785,423
Net income for the year/ Net movement in funds		158,241	242,680
Fund balances at 1 September 2020		992,350	749,670
Fund balances at 31 August 2021		1,150,591	992,350

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

UNDERSHAW EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11		683,978		716,108
Current assets					
Debtors	12	846,227		311,948	
Cash at bank and in hand		1,099,605		1,136,255	
		1,945,832		1,448,203	
Creditors: amounts falling due within one year	14	(1,079,219)		(671,961)	
Net current assets			866,613		776,242
Total assets less current liabilities			1,550,591		1,492,350
Creditors: amounts falling due after more than one year	15		(400,000)		(500,000)
Net assets			1,150,591		992,350
Income funds					
Unrestricted funds			1,150,591		992,350
			1,150,591		992,350

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

The accounts were approved by the Trustees on 22 March 2022

D Forbes-Nixon
Trustee

L Sullivan
Trustee

Company Registration No. 02889781

1 Accounting policies

Charity information

Undershaw Education Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Undershaw, Portsmouth Road, Hindhead, Surrey, GU26 6AQ.

1.1 Accounting convention

The accounts have been prepared in accordance with the School's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The School is a Public Benefit Entity as defined by FRS 102.

The School has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have considered the impact of the Covid-19 crisis on the school's ability to continue to provide specialist education for its students. The school has worked hard to adapt to the changing environment and has successfully implemented online learning facilities where required along with introducing specific measures to ensure adequate protection for the staff and students. The school has confirmed that student fees will continue to be paid by the relevant local authorities for the foreseeable future. Whilst it is difficult to predict the full extent of the impact of Covid-19, the trustees note that events such as announcements or the enactment of new measures to contain the virus are considered to be non-adjusting events. Therefore, there have been no adjustments made in these financial statements in respect of such developments.

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

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the School.

1.4 Incoming resources

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

Cash donations are recognised on receipt. Other donations are recognised once the School has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies **(Continued)**

Legacies are recognised on receipt or otherwise if the School has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies **(Continued)**

1.5 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

1.6 Tangible fixed assets

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

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

Leasehold land and buildings	3 years straight line
Plant and equipment	5 years straight line
Fixtures and fittings	3 years straight line
Computers	3 years straight line
Motor vehicles	5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

1 Accounting policies **(Continued)**

Basic financial assets

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

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the School's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the School's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Fundraising	80,248	96,017

4 Charitable activities

	School fees	School fees
	2021	**2020**
	£	**£**
School fees	3,181,361	2,862,579
Grants	126,616	54,686
	3,307,977	2,917,265

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Letting and licensing arrangements	23,018	14,573

6 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	96	248

7 Charitable activities

	Charitable Expenditure 2021	Charitable Expenditure 2020
	£	£
Staff costs	2,326,591	2,026,055
Education	37,421	49,958
Therapy	232,919	153,011
General direct costs	10,445	9,954
Facilities costs	174,793	195,056
Insurance	48,391	33,808
Repairs and maintenance	37,082	26,638
Administration costs	43,056	19,539
Telecommunications	14,304	8,509
Motor and travelling expenses	5,509	5,408
Legal and professional	112,489	31,423
Computer software and maintenance	97,696	99,435
Indirect staff costs	40,230	57,807
Sundry expenses	142	373
Bank charges	2,135	1,661
Depreciation	62,895	59,788
	3,246,098	2,778,423
Share of governance costs (see note 8)	7,000	7,000
	3,253,098	2,785,423

8 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Audit fees	-	7,000	7,000	-	7,000	7,000
	-	7,000	7,000	-	7,000	7,000
Analysed between						
Charitable activities	-	7,000	7,000	-	7,000	7,000

Governance costs includes payments to the auditors of £7,000 (2020- £7,000) for audit fees.

9 Trustees

None of the Trustees (or any persons connected with them) received any other expenses or benefits from the school.

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Education including therapists	53	53
Support and administration	22	12
Total	75	65

Employment costs	2021 £	2020 £
Wages and salaries	2,141,560	1,861,455
Other pension costs	185,031	164,600
	2,326,591	2,026,055

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
Over £60,000	1	2

11 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 September 2020	629,618	8,738	48,839	175,575	76,950	939,720
Additions	-	4,039	5,521	21,205	-	30,765
At 31 August 2021	629,618	12,777	54,360	196,780	76,950	970,485
Depreciation and impairment						
At 1 September 2020	20,355	3,816	35,168	121,540	42,733	223,612
Depreciation charged in the year	9,000	1,559	7,867	35,559	8,910	62,895
At 31 August 2021	29,355	5,375	43,035	157,099	51,643	286,507
Carrying amount						
At 31 August 2021	600,263	7,402	11,325	39,681	25,307	683,978
At 31 August 2020	609,263	4,921	13,672	54,035	34,217	716,108

11 Tangible fixed assets (Continued)

The carrying value of land included in land and buildings comprises:

	2021	2020
	£	£
Freehold	600,263	606,263

12 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	710,611	264,393
Prepayments and accrued income	135,616	47,555
	846,227	311,948

13 Loans and overdrafts

	2021	2020
	£	£
Other loans	500,000	600,000
Payable within one year	100,000	100,000
Payable after one year	400,000	500,000

14 Creditors: amounts falling due within one year

	2021	2020
	£	£
Borrowings	100,000	100,000
Other taxation and social security	4,995	43,562
Trade creditors	32,868	7,697
Other creditors	859	2,146
Accruals and deferred income	940,497	518,556
	1,079,219	671,961

15 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Borrowings	400,000	500,000

16 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021	2020
	£	£
Aggregate compensation	333,848	261,107

Transactions with related parties

During the year the School entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2021	2020	2021	2020
	£	£	£	£
DFN Charitable Foundation	-	-	97,596	84,000
COINS Foundation	-	-	-	16,625
	-	-	97,596	100,625

	Donations received			
	2021	2020	2021	2020
	£	£	£	£
DFN Charitable Foundation	25,000	25,817	-	-
COINS Foundation	25,000	29,380	-	-
Inclusive Enterprises Limited	-	1,378	-	-
	50,000	56,575	-	-

All of the above related parties have significant influence over the Board of Undershaw Education Trust.

16 Related party transactions **(Continued)**

The purchase of goods above relates to the rental paid to DFN Charitable Foundation for the school site located at Undershaw.

During the year to 31 August 2020, COINS Foundation sold the Tower Road site to the School for £600,000. A professional valuation was undertaken and the sale price was based on this valuation.

In order to facilitate the purchase of this property COINS Foundation extended a loan to the school of £600,000. The loan agreement was signed by the relevant parties on 17 June 2020 and as such the full amount has been included within the accounts as borrowings. The loan is interest free with the first payment due on 1 September 2020 and termly thereafter; the final payment being on 1 May 2026.

The value of the loan at the year ended 31 August 2021 amounted to £500,000 (2020 - £600,000).