

# RYDAL PENRHOS LIMITED

England & Wales · Charity number 1063489

## Details

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**Other names** RYDAL PENRHOS, LYNDON PREPARATORY SCHOOL

**Status** Registered

**Legal form** Charitable company

**Company number** [03294434](#)

**Registered** 1997-07-17

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

## Contact

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**Website** [www.rydalpenrhos.com](http://www.rydalpenrhos.com)

## Activities

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**Objects:** TO ADVANCE THE EDUCATION AND LEARNING AND IN PARTICULAR TO ADMINISTER AND MANAGE AND SO FURTHER THE CHARITABLE PURPOSES OF THE SCHOOL KNOWN AS RYDAL PENRHOS

**Activities:** EDUCATION

## Classification

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

## Geography

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- Conwy

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£5,816,428	£7,364,570	£19,044,447	140
2023-08-31	£4,682,886	£6,723,133	£20,576,515	140
2022-08-31	£4,834,819	£6,378,820	£22,617,970	143
2021-08-31	£6,112,351	£6,543,080	£24,167,976	135
2020-08-31	£5,144,733	£6,685,216	£1,793,494	164

## Trustees

Name	Role	Appointed
BESSIE ANNE MARY WATSON		
Deborah Ann McKinnel		2018-09-28
Debra Jane Keogh		2022-01-25
Jeremy Charles Salisbury		2019-12-17
Matthew Gilman		2020-05-07
Nicholas John Jewsbury		2022-05-05
Rev Andrew Charlesworth		2023-09-01

**RYDAL PENRHOS LIMITED**

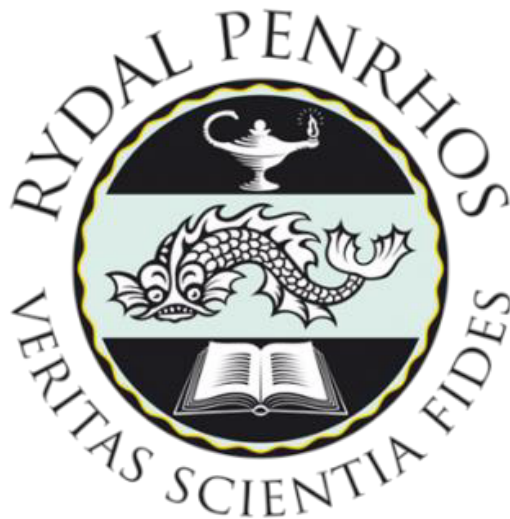
England & Wales - Charity number 1063489

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# Accounts

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**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED**  
**31 AUGUST 2024**



**COMPANY REGISTRATION NUMBER: 3294434**  
**CHARITY NUMBER: 1063489**

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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# RYDAL PENRHOS LIMITED AND SUBSIDIARIES

## COMPANY INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2024

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<b>Incorporation</b>	19 December 1996
<b>Company registration number</b>	3294434
<b>Charity number</b>	1063489
<b>Trustees</b>	Mrs D McKinnel (Chair) Mr JP Burgess (Resigned 23/04/2024) Mr M Gilman <i>L A</i> Mr B Park <i>R A</i> (Resigned 31/07/2024) Mr J C Salisbury <i>R A</i> Mrs BAM Watson <i>L A T</i> Mrs D Keogh <i>L</i> Mr N Jewsbury <i>L</i> The Revd A Charlesworth (Appointed 01/09/2023) Mrs J E Fenn (Resigned 31/01/2025)

### Key of Committee Membership

- *Learning & Personnel - L*
- *Resources - R*
- *Audit & Risk - A*
- *Trusts – T*

The Trustees of the Rosa Hovey Scholarship Trust consist of a committee of the Head and three Trustees.

<b>Head/Principal</b>	T Hutchinson
<b>Key Management Personnel</b>	T Hutchinson-Principal A Thomas-Assistant Principal R Williams-Assistant Principal R Beamish-Chaplain L Spencer-Finance Manager
<b>Registered Office</b>	Old House, Pwllcrochan Avenue Colwyn Bay, Wales, LL29 7BT
<b>Bankers</b>	National Westminster Bank plc. Union Street, Chester, CH1 1UA
<b>Solicitors</b>	Pothecary Witham Weld 70 St Georges Square, London, SW1V 3RD
<b>Auditors</b>	Xeinadin Audit Limited 2 Hilliards Court, Chester, CH4 9QP

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**COMPANY INFORMATION AND TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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The Trustees (who are also the directors for the purposes of company law) submit their report and the accounts for the year ended 31 August 2024.

**Structure, governance and management**  
**Constitution**

The company is limited by guarantee and has no share capital. Every member of the company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year of ceasing to be a member, for debts and liabilities of the company contracted before he or she ceased to be a member, such amount as may be required not exceeding £10.

The governance and objects of the School are as laid down in the Articles of Association and Memorandum of Association which incorporates the provisions of the Methodist Secondary Education Trust Deed 1903, as subsequently amended.

**Trustee body**

A list of Trustees of the charity who served during the year and since the year end at 31 August 2024 is shown on the company information page.

Trustees are appointed for a term of five years and may stand for re-election. Conference nominated Trustees are appointed for three years. The Trustee body meets a minimum of four times a year and delegates responsibility to sub-committees as necessary.

The Board seeks to have a broad range of business, professional and educational skills; Trustees receive induction training and are encouraged to participate in regular training in their areas of particular interest.

**Organisational Management**

The Trustees determine the general policy and strategy of the School; the implementation of strategy and the management of the School is delegated to the Head and the Bursar, supported by Senior Leadership Team who together form the key management personnel.

Remuneration amounts are set by the Board and reviewed annually including reference to comparisons with other independent schools. The policy objective is ensuring appropriate incentives to encourage enhanced performance and, in a fair and responsible manner, rewarding for individual contributions to the School's success. The Board appoints the Principal, the Head of Finance and the Chaplain.

**Related Entities**

Details of related entities are incorporated within the related party transactions note to the accounts.

**VALUES, AIMS AND OBJECTIVES**

Rydal Penrhos seeks to benefit the public through the pursuit of its stated aims 'to advance education and learning'. The Trustees have given due consideration to the Charity Commission's general guidance on public benefit. The school welcomes pupils from all backgrounds; to admit a prospective pupil the school must be satisfied that the school will be able to educate and develop that pupil to the optimum of his or her potential and in line with the general standards achieved by their peers. The Methodist foundation of the school is important to its identity and the way it promotes pupils' attitudes and responsibilities to each other and society at large.

### **Our Aims and Objectives**

Our key objectives for the year were:

- Complete the single-siting of the school, relocating Pre-School and Prep pupils to a new facility on the Senior site, disposing of the existing Pwlycrochan Prep School building, and further adopting a one-school model.
- Maintain and improve high academic standards by setting clear targets for staff and continuously enhancing pupil outcomes.
- Enhance facilities, implement updated security measures, and improve learning environments across the school.
- Strengthen staff development through focused training and performance management to ensure high-quality teaching.
- Continue delivering a broad, engaging curriculum that supports pupil success and future opportunities.
- Strengthen PSHE/RSE provision and refine mental health support systems for improved pupil wellbeing.
- Maintain the school's strong Methodist foundation while continuing to foster an inclusive environment for all faiths.
- Improve financial operations to support long-term growth and investment in education.
- Raise the school's profile in North Wales to boost enrolment, increase community use of facilities, and grow commercial revenue.
- Strengthen relationships with pupils, parents, staff, alumni, and the wider community.

### **STRATEGIC REPORT**

#### **Review of Operational Performance of the School**

##### **Academic**

Rydal Penrhos provides excellent academic teaching and support (improving the long-term life prospects of local children and young people) through its stated aim 'to advance education and learning'. This aim complies with section 3(1)(b) of the Charities Act 2006, and in serving the public qualifies as a charitable purpose as specified in section 2(1).

**Academic (continued)**

Estyn most recently inspected Rydal Penrhos in December 2024. They described Rydal Penrhos School as offering a “collaborative environment with a shared focus on continuous improvement,” praising the school’s commitment to professional development and high educational standards.

The report highlighted the school’s “strong sense of community,” where pupils benefit from “positive and trusting relationships with staff,” creating a setting that fosters both well-being and academic success. Inspectors also commended the “calm, purposeful learning environments,” where pupils engage “with enthusiasm and commitment.”

Additionally, Estyn recognised that “pupils feel their voices are heard and valued,” a testament to the school’s emphasis on pupil engagement and leadership. The inspectors noted that the school’s approach ensures that every child has the opportunity to contribute, reinforcing an ethos where “effort is valued ahead of achievement.”

Estyn confirmed that the school meets all of the Independent School Standards (Wales) Regulations 2004. Rydal Penrhos prioritises enabling pupils to reach their full academic potential, achieve the highest possible examination results, and ultimately progress towards a successful future in higher education and the workplace, making meaningful contributions to businesses, communities, and individuals they encounter.

Throughout the year, exceptional teaching delivered by experienced educators in high-quality learning environments upheld the school’s strong tradition of academic excellence, leading to outstanding outcomes for pupils across all age groups. Those who study at Rydal Penrhos consistently surpass expectations.

During the year, the school introduced a new addition to the Sixth Form curriculum—Level 3 Criminology. Pupils who choose this subject benefit from an engaging and practical learning experience, exploring real-life cases to develop a thorough understanding of the criminal justice system while gaining insights from professionals working in the field.

Exam Results and Value Added

In 2024, Rydal Penrhos secured exceptional results at both GCSE and A-Level once again.

25% of Rydal Penrhos GCSE results were the highest possible grade of A\* (9 to 8), over quadruple the Welsh national average of 6%. 47% of pupils secured A\* to A (9 to 7) grades, more than twice the Welsh and UK national averages of 18.7% and 21.8%, respectively. 98% of Rydal Penrhos pupils achieved A\* to C (9 to 4) grades; the average across Wales was 61.7%.

The release of 2024’s A-Level results marked a significant achievement for Rydal Penrhos, as the school celebrated a 100% pass rate for the fifth consecutive year. An impressive 37% of Rydal Penrhos pupils attained A\* or A grades, significantly higher than the Welsh national average of 30%. 89% of Rydal Penrhos pupils secured A\* to C grades. Bucking the trend in Wales, where university application rates fell to a new low, 100% of Rydal Penrhos Class of 2024 leavers secured a university place for September.

### **Preparation for Life After School; University Destinations**

Rydal Penrhos places significant importance on supporting pupils as they prepare for higher education and life beyond school. A dedicated UCAS and Careers specialist is employed to guide pupils on a wide range of matters related to university applications and future career pathways.

In the summer of 2024, Rydal Penrhos alumni secured places at several prestigious UK universities, including leading Russell Group institutions. Destinations included Cardiff University, the University of Bath, and the University of Edinburgh.

For those choosing not to enter higher education immediately, or opting for alternative pathways, the school offers comprehensive support in arranging gap year opportunities and exploring potential employment or apprenticeship options.

### **Single Siting and Infrastructure Improvements**

The 2023-24 academic year marked a historic transition for Rydal Penrhos as the school advanced towards the trustees' long-held strategic goal of uniting the entire school on a single site. This transformative project, one of the most significant developments in the school's modern history, represents a major investment in facilities and a bold step towards an even stronger, more cohesive learning environment for Rydal Penrhos pupils.

Throughout the period, extensive work was undertaken to prepare for the transition. While Pre-School and Prep pupils did not officially begin learning in the new one-site facility until September 2024, the year saw the closure of the Pwllcrochan Prep School building, which had been in operation since 1953. A farewell event was held in July 2024 to bid goodbye to the building, attended by pupils, parents, carers and staff.

The major focus of activity during the year was the transformation of Old House and other key facilities to accommodate the Prep and Pre-School's relocation. Old House, an integral part of Rydal Penrhos' history and the site where Thomas Osborn founded Rydal Mount School in 1885, was meticulously redeveloped to serve as the new Prep and Pre-School. Major investments were made in refurbishing classrooms, upgrading essential infrastructure, and ensuring that the new environment would provide an exceptional learning experience for children and young people, in line with the charity's aims.

In addition to the reconfiguration of Old House, the one-site project also facilitated the enhancement of learning spaces for Senior School pupils. The Mathematics & Computer Science and Humanities faculties, formerly based in Old House, transitioned to dedicated, fully modernised classrooms in Hunt House. Furthermore, the school's existing food laboratories and computer suites underwent substantial refurbishment, ensuring that pupils across all year groups benefit from state-of-the-art learning environments.

The consolidation of Rydal Penrhos onto a single site offers numerous advantages, strengthening the continuity of education from Pre-School to Sixth Form and providing younger pupils access to specialist teachers and world-class facilities, including the Osborn Hall, the Sports Hall, and science laboratories.

The trustees would like to extend their gratitude to all those who contributed to the single siting project over the year; from staff and pupils to parents and the wider school community.

### **Extracurricular**

Rydal Penrhos values a well-rounded education, providing pupils with opportunities to explore interests and develop skills beyond the classroom. Each day, from 15:30 to 16:30, pupils from Reception onwards can choose from a diverse range of extracurricular clubs and societies, with over 100 options available.

The school actively encourages pupils to extend their academic curiosity beyond lessons. As part of the extracurricular programme, several academically focused clubs, such as the Business and Physics Clinics, offer enriching opportunities for intellectual exploration.

Music, drama, and sport are integral to school life, with participation encouraged across all age groups and ability levels, fostering teamwork, resilience, and a passion for the arts and physical activity. Rydal Penrhos' exceptional location also provides pupils with unique opportunities to take part in sailing, mountaineering, and a broad variety of other outdoor and team sports.

#### The Duke of Edinburgh Award

Rydal Penrhos is a Licensed Centre for the highly regarded Duke of Edinburgh (DofE) Award scheme, offering all three levels of this prestigious programme. The DofE Award allows pupils to develop vital life skills, including leadership, teamwork, resilience, and self-reliance, through a series of challenging and rewarding experiences. Guided by the school's dedicated DofE coordinator, dozens of Rydal Penrhos pupils achieved Bronze, Silver, or Gold Awards in the 2023/24 academic year. A new DofE celebration evening was introduced, providing pupils not only with the opportunity to be recognised for their achievements but also to share their experiences of completing the award with the wider school community.

#### Combined Cadet Force

The Combined Cadet Force (CCF), sponsored by the Ministry of Defence, aims to "provide a disciplined organisation in a school so that pupils may develop powers of leadership by means of training to promote the qualities of responsibility, self-reliance, resourcefulness, endurance, and perseverance." Open to all pupils from Year 8, the CCF operates from a dedicated base on the school grounds. During the year, a new badge and beret presentation day was introduced, marking a significant milestone for cadets. This special occasion was further enhanced by a visit from the school's sponsored regiment, the 1st Queen's Dragoon.

### **Sports and Outdoor Education**

Rydal Penrhos recognises the positive impact of sports in bringing communities together and promoting health and wellbeing. The school has a proud sporting history and maintains sporting facilities of the highest order to support and encourage its emerging sports people. Various sports competitions were held in school across the year, as well as the annual Colours Awards, which recognise the individual achievements of Rydal Penrhos pupils.

### **Sports and Outdoor Education (continued)**

#### National Hockey Championships

Hockey at Rydal Penrhos has continued to thrive ever since the introduction of the school's Astro Turf during the early-2000s site renovations. In the year, three Rydal Penrhos age group teams qualified to compete in national finals competitions. For the second year in a row, the Rydal Penrhos U18 Boys' Hockey team were crowned Welsh National Champions.

These achievements highlight Rydal Penrhos' strong presence in hockey at various levels; something the school aims to maintain and continue in the coming years, thanks to a sustained focus on excellent player training and development, as well as a strong relationship with external bodies such as Hockey Wales. In the 2024-25, the school plans to redevelop its Astro Turf, installing a new state of the art pitch at the heart of campus.

### **Creative Arts**

Rydal Penrhos is committed to providing its pupils with extensive opportunities to explore the creative arts, including Drama, Music, and Art, both within the curriculum and through extracurricular activities. These experiences encourage self-expression and creativity, helping to develop confident, well-rounded individuals ready to make meaningful contributions to society and their future careers.

The school has a strong musical tradition that spans a wide range of instruments, styles, and generations. Alongside a dynamic curriculum-based music programme, pupils took part in several public performances during late spring and early summer, with the highlight being the annual Spring Concert.

In November, Rydal Penrhos' school choirs, Community Choir, and Community Wind Band performed a special concert in support of Children in Need. The collaboration between school and community ensembles enhances pupils' musical development and fosters a spirit of shared learning.

The school's community music groups continued to flourish, providing a platform for passionate local musicians—including pupils, alumni, parents, and supporters—to develop their talents while making use of school facilities for rehearsals.

Rydal Penrhos also offers peripatetic Speech and Drama lessons, catering to pupils in Years 7 to 13 in individual, paired, or small group sessions. These lessons help refine communication and acting skills while building confidence, creativity, and teamwork. The school consistently performs exceptionally well at the Chester Competitive Festival of Performing Arts, achieving thirteen top-three placements in the past year.

Art holds a significant place within Rydal Penrhos, with pupil artwork displayed throughout the school. The school is proud to nurture many talented young artists, with current pupils demonstrating strong potential for future success. Both Prep and Senior pupils benefit from access to well-equipped Art Studios, allowing them to experiment with different artistic techniques under the guidance of experienced teachers.

### **School Trips**

The school recognises that a top-quality education extends beyond outstanding classroom teaching. Therefore, a comprehensive programme of school trips is offered to enhance academic learning, reinforce key concepts, and provide pupils with valuable opportunities to explore new environments.

### **School Trips (continued)**

The Trustees are pleased to report that, in the year, numerous curriculum school trips took place, from visits to local educational attractions, to a Year 6 residential week at the Arete Centre in Llanrug, where pupils took part in surfing, coastering, a night assault course, orienteering, kayaking, and other such teambuilding activities.

The major international trip in the year was to Iceland. The Iceland excursion began with a scenic exploration of the Reykjanes Peninsula, where they visited the Reykjanes Lighthouse and the Bridge Between Continents before unwinding in the famous Blue Lagoon. They then explored Reykjavik's key landmarks, including the Perlan Centre and Hallgrímskirkja Church, before embarking on the renowned Golden Circle tour, featuring Gullfoss waterfall, Thingvellir National Park, and geothermal energy sites. The trip concluded with a breathtaking South Shore adventure, where pupils experienced volcanic craters, waterfalls, glaciers, and the striking Reynisfjara Black Sand Beach, making for an enriching and inspiring educational experience.

### **Admissions**

Rydal Penrhos aims to educate as many pupils as it can without sacrificing the standard of its provision. The school recognises that, by educating more children and young people, it increases the scale of the public good generated by its work.

Throughout the year, the school hosted several admissions events for prospective pupils and their families, including an annual Open Day in September, several Open Mornings throughout the year, a Sixth Form Information Evening, and over 100 private tours and taster sessions.

### **Fees, Fully Funded Places, Scholarship Premiums and Bursaries**

Rydal Penrhos upholds a fair and transparent fee structure, with clear eligibility criteria for financial support schemes, including Fully Funded Places, Scholarship Premiums, and Bursary Schemes, readily available to prospective parents.

The school strives to set fees at the lowest level necessary to maintain its high-quality education, ensuring accessibility for more pupils and reinforcing its charitable mission. This commitment is reflected in a consistent real-term reduction in fees (adjusted for CPI) between 2018/19 and 2023/24, achieved through efficiency and cost-saving measures without compromising educational standards.

To enhance affordability and minimise additional costs, the school incorporates key expenses within its standard fees, including school meals and all GCSE and A-Level examination entry fees - saving families approximately £500 in Year 11, £200 in Year 12, and £350 in Year 13.

By each year offering two Fully Funded Places in Year 7 and Year 12 to new pupils joining from the North Wales area, Rydal Penrhos serves the public interest, supporting local, disadvantaged people who can achieve great things and contribute to society at large.

### **Alumni**

Rydal Penrhos is delighted to maintain a rich and active relationship with its alumni, several of whom are parents and/or members of staff. The school's alumni association, the Rydal Penrhos Society, brings together former pupils of Penrhos College, Rydal School, and Rydal Penrhos School.

### **Alumni (continued)**

The Society has over 2500 active members, with whom the school is in regular contact, sharing newsletters, alumni-related news stories and other forms of communications.

Former pupils participate in a wide-range of Society Sports, including hockey, cricket, netball, rugby and golf. Each year a number of named trophies are contested, including the prestigious Marsden Trophy, a golf competition first established in 1932.

### **Staff**

Rydal Penrhos teachers and staff continue to strive to achieve the highest levels of professional development and proficiency. Training and performance management for our staff are considered highly important and as such the school organised several training days throughout the year.

### **Commercial Activities**

Rydal Penrhos' commercial activities provide 50% of the funding for Rydal Penrhos' Fully Funded Places scheme, which offers two free places in Year 7 and Year 12 to local children and young people from financially disadvantaged backgrounds.

In the year, the Rydal Penrhos commercial programme continued to develop, enabling greater numbers of local people to benefit from the school's facilities and equipment.

In an average week, over 2500 local children, young people and adults make use of the school's outstanding facilities, from a broad range of organisations including local community groups, small businesses, and charities. Seeking to support the region's young people, the school opens its facilities free of charge for the local Young Carers group to host their fortnightly meetings.

In recent years, Rydal Penrhos has established a greater presence in the North Wales wedding industry. In the autumn, Rydal Penrhos hosted the North Wales Wedding Awards for the second successive year. Additionally, the school regularly participates in local wedding fayres and industry events.

### **Service Families**

The trustees respect the proud history of Rydal Penrhos welcoming service families into the school community. The school understands the unique challenges that service children may face and actively works to address them.

The trustees are delighted to report that the school has achieved Bronze accreditation as part of the Armed Forces Friendly Schools Cymru initiative and the Silver Award as part of the Armed Forces Covenant Employer Recognition Scheme. These recognitions reflect Rydal Penrhos' ongoing commitment to providing an inclusive and supportive environment for service families.

### **Service Families (continued)**

Rydal Penrhos has signed the Armed Forces Covenant, reinforcing our dedication to treating service personnel and their families fairly. We work closely with SSCE (Supporting Service Children in Education) Cymru to ensure that parents, carers and staff have the best resources and strategies in place to support children from military backgrounds.

Recognising the impact of mobility, deployment, and social transitions, our school ethos is firmly rooted in the principles of the UN Convention on the Rights of the Child (UNCRC). We acknowledge that service children may require additional support for their learning, mental health, and wellbeing at different stages of their education.

To ensure that service children achieve their full potential, we provide proactive and preventative support, alongside responsive measures to emerging needs. This includes tailored pastoral care, academic guidance, and access to wellbeing programmes.

Listening to the voices of service children is essential. Through the School Council, Peer Mentoring Programme, PSHE curriculum, TootToot app, and Health and Wellbeing initiatives, the school provides multiple avenues for service pupils to share their experiences and access the support they need.

### **Environmental, Charity and Community Service**

At Rydal Penrhos, a deep connection to the natural world, a commitment to serving others, and a drive to create meaningful change are at the heart of school life. Situated in a region of outstanding natural beauty, with the stunning coastline and Snowdonia National Park on the doorstep, the school recognises its responsibility to protect the environment while also supporting the wider community - both locally and globally.

Environmental initiatives are embedded in school life, with pupils actively involved in sustainability efforts aimed at reducing the school's ecological footprint. This sense of responsibility extends to charitable work, where pupils dedicate time and effort to making a positive impact on those in need.

During the 2023-24 academic year, Rydal Penrhos partnered with Sense, a charity that ensures individuals with complex disabilities, including those who are deafblind, can fully participate in life. Fundraising and awareness campaigns were led by pupils who embraced the opportunity to support Sense's vital work across its 20 centres and colleges nationwide.

Rydal Penrhos' collaboration with Edukid underlined a renewed commitment to global citizenship. By working to remove barriers to education for disadvantaged children worldwide, Rydal Penrhos pupils engaged in activities that not only raised funds but also deepened their understanding of social justice. This partnership is set to culminate in an international development trip to Peru in the autumn of 2024, allowing pupils to witness firsthand the impact of their efforts.

Beyond these key initiatives, Rydal Penrhos pupils and staff remain dedicated to a wide range of charitable and community-driven activities. Whether participating in local environmental conservation projects, supporting food banks, or running fundraising events, the Rydal Penrhos School community consistently strives to 'do all the good we can.' One inspiring example is a Year 1 pupil who took part in the Conwy Dark Run, running their first 5k to raise money for the local hospice, Tŷ Gobaith.

Through these charitable, community and environmental efforts, Rydal Penrhos continues to nurture socially responsible, compassionate individuals who are empowered to make a difference.

## **RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 AUGUST 2024**

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#### **Other Relationships**

As an Associate member of the Methodist Independent Schools group, the school benefits significantly from the collective ethos and educational initiatives of that group. The Heads of school are also members of the Society of Heads and of WISC.

#### **Financial review and future plans**

Rydal Penrhos completed its one-school vision in September 2024 and the benefits can be seen across the school. This has been a highly success project is bringing the school together and improves Rydal's efficiencies.

A target enrolment remains at 350 pupils from Reception to Y13, with efforts remaining to achieve this goal. The school now has full and growing preschool and even with the difficult external economic the pupil role remains steady and continues to grow. Efforts to continue to increase pupil number remains with increased marketing efforts.

VAT has been introduced, and the school continues to manage growing costs.

The schools' strategic vision is also looking to diversify and aims to bring in revenue in the fourth term and 'sweat' all current assets / facilities at the school. A range of additional services are now offers from external exams to swim school. This aspect will continue to grow over the next few years and bring financial improvement to the school.

The Trustees are committed to ensuring the smooth and sustained financial improvement of the school.

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

The investment powers are governed by the Memorandum & Articles of Association that permits the funds of the School and its subsidiary charities to be invested in any investment or security as the charity may think fit. Investments are held under the management of the TMCP and Investec, which provides investment advice.

#### **Reserves**

Total reserves of the group at 31 August 2024 were £19.044m (2023: £20.577m), with unrestricted funds of £19.044m (2023: £20.577m) which includes designated funds of £Nil (2023: £Nil). At 31 August 2024 the group had restricted funds of £Nil (2023: £Nil) and a permanent endowment of £5 (2023: £5). Further details of the restricted and designated funds are given in note 17.

The Trustees regard 'free' reserves as being the reserves of the School after deducting fixed assets not covered by specific bank financing and investments held to generate income for the various Trust funds. On the basis described there is a deficit of free reserves of £0.185m (2023: £3.261m). Similar to many other independent schools, the School has invested heavily in fixed assets which have resulted in this deficit.

The need for day-to-day working capital is met by careful management of short-term liquid resources.

The policy is to reduce the level of free reserves deficit from annual operating surpluses, subject to the prior demands of further capital expenditure to equip the School with the up-to-date facilities needed to maintain the standard of educational services currently provided.

### **Risk management and principal risks and uncertainties**

The Governing Body is responsible for the management of the risks faced by the School, and a formal review of the risk management processes is undertaken regularly.

The main risks that the Trustees have identified and the plans to manage those risks are:

- **Reputation** – the School's success is built on its reputation for the education and wellbeing of our pupils.

This risk is managed through safeguarding policies, providing a broad and attractive curriculum, staff recruitment policies, pastoral support for both pupils and staff and management of health and safety matters.

- **Financial viability** – our ability to operate is reliant on the prompt receipt of fee income based on stable pupil numbers and effective management of costs.

This risk is managed by marketing activity to maintain and expand pupil numbers, maximising pupil retention, maintaining a reputation for academic excellence and active cash flow management.

The Trustees are satisfied that the major risks identified have been adequately mitigated as far as possible.

It is the Board's policy that key controls should include:

- Formal agendas for all Board and Committee meetings
- Detailed terms of reference for all Committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of children

### **Statement of Trustees' Responsibilities**

The Trustees (who are also directors of Rydal Penrhos Limited for the purposes of company law) are responsible for preparing the Trustees' Report (including the group director's and strategic report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 (FRS 102);
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

## **RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

### **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 AUGUST 2024**

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

#### **Disclosure of information to auditors**

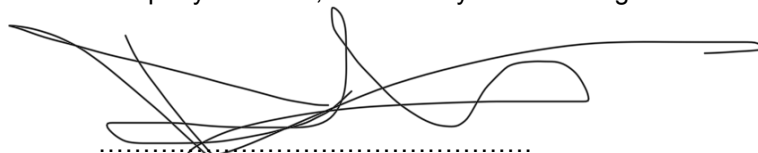
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

#### **Auditors**

In accordance with the company's articles a resolution proposing that Xeinadin Audit Limited be reappointed as auditor to the group and parent charitable company will be put at a General Meeting.

This report, incorporating the group strategic report, was approved by the Trustees, in their capacity as company directors, on 16<sup>th</sup> May 2025 and signed on their behalf by:



.....  
**Deborah McKinnel**  
**Chair**

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF RYDAL PENRHOS LIMITED**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Opinion**

We have audited the financial statements of Rydal Penrhos Limited (the 'charitable parent company') and its subsidiaries ('the group') for for the year ended 31 August 2024 which comprise comprise the group statement of financial activities, the group balance sheet, the charitable company balance sheet, the group statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and of the parent charitable company's affairs as at 31 August 2024 and of the group's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The other information comprises the information included in the annual report set, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF RYDAL PENRHOS LIMITED (continued)

### FOR THE YEAR ENDED 31 AUGUST 2024

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

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

- the information given in the Trustees' Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included in the Trustees' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

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

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

#### **Responsibilities of Trustees**

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

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

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

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

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

•Enquiry of management and those charged with governance around actual and potential litigation and claims;

•Reviewing minutes of meetings of those charged with governance;

•Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RYDAL PENRHOS LIMITED (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

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•Enquiry of management and those charged with governance to identify any instances of non-compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably. Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation, distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequence of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance the imposition of fines or litigation or the loss of the companies license to operate. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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.

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

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

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Stephanie Baker BA(Hons) ACA (Senior Statutory Auditor)**  
For and on behalf of Xeinadin Audit Limited

16<sup>th</sup> May 2025

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

2 Hilliards Court  
Chester Business Park  
Chester  
Cheshire  
CH4 9QP

### Notes:

1. The maintenance and integrity of Rydal Penrhos Limited's website is the responsibility of the Trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

	Notes	Unrestricted Funds £	Restricted Funds £	Permanent endowment £	2024 Total £	2023 Total £
<b>INCOME FROM:</b>						
<b>Donations and legacies:</b>						
Gifts and donations	2	1,077,694	-	-	1,077,694	-
<b>Charitable activities:</b>						
School fees	3	4,444,234	-	-	4,444,234	4,421,485
<b>Trading and other activities:</b>						
Lettings income	4	268,150	-	-	268,150	254,226
Other income	4	7,323	-	-	7,323	6,775
<b>Investments</b>						
Investment income	5	19,027	-	-	19,027	400
<b>Total income</b>		<u>5,816,428</u>	<u>-</u>	<u>-</u>	<u>5,816,428</u>	<u>4,682,886</u>
<b>EXPENDITURE ON:</b>						
<b>Raising funds:</b>						
Finance costs		45,765	-	-	45,765	66,768
<b>Charitable activities:</b>						
Teaching costs		3,240,276	-	-	3,240,276	3,558,676
Welfare costs		697,051	-	-	697,051	623,737
Premises costs		2,549,590	-	-	2,549,590	1,501,541
Support and governance costs		831,888	-	-	831,888	972,416
<b>Total expenditure</b>	8	<u>7,364,570</u>	<u>-</u>	<u>-</u>	<u>7,364,570</u>	<u>6,723,133</u>
<b>Net (expenditure) before investment gains and transfer</b>		(1,548,142)	-	-	(1,548,142)	(2,040,247)
Net gains/(losses) on investments	10	16,074	-	-	16,074	(1,208)
Gross transfer between funds		-	-	-	-	-
<b>Net movement in funds</b>		<u>(1,532,068)</u>	<u>-</u>	<u>-</u>	<u>(1,532,068)</u>	<u>(2,041,455)</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward		20,576,510	-	5	22,576,515	22,617,970
<b>Total funds carried forward</b>		<u><u>19,044,442</u></u>	<u><u>-</u></u>	<u><u>5</u></u>	<u><u>19,044,447</u></u>	<u><u>22,576,515</u></u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure is derived from continuing activities.

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

The notes on pages 21 to 37 form part of these financial statements.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**BALANCE SHEETS**

**AS AT 31 AUGUST 2024**

	Notes	Consolidated		Company	
		2024 £	2023 £	2024 £	2023 £
<b>Fixed assets</b>					
Tangible assets	9	19,023,114	23,646,658	19,023,114	23,646,658
Investments	10	206,657	190,583	5,049	4,842
Investment in subsidiary	10	-	-	2	2
		<u>19,229,771</u>	<u>23,837,241</u>	<u>19,028,165</u>	<u>23,651,502</u>
<b>Current assets</b>					
Debtors	11	3,472,893	3,342,612	3,472,893	3,342,610
Cash at bank and in hand		1,515,641	405,635	1,509,769	405,633
		<u>4,988,534</u>	<u>3,748,247</u>	<u>4,982,662</u>	<u>3,748,243</u>
<b>Creditors: amounts falling due within one year</b>	12	(5,031,683)	(6,821,800)	(5,078,872)	(6,980,792)
<b>Net current liabilities</b>		<u>(43,149)</u>	<u>(3,073,553)</u>	<u>(96,210)</u>	<u>(3,232,549)</u>
<b>Total assets less current liabilities</b>		19,186,622	20,763,688	18,931,955	20,418,953
<b>Creditors: amounts falling due after more than one year</b>	13	(142,175)	(187,173)	(142,175)	(187,173)
<b>Total net assets</b>		<u><u>19,044,447</u></u>	<u><u>20,576,515</u></u>	<u><u>18,789,780</u></u>	<u><u>20,231,780</u></u>
<b>Capital</b>					
Permanent endowment	17	5	5	-	-
<b>Reserves and funds</b>					
Restricted funds	17	-	-	-	-
Unrestricted funds:					
General reserve	17	2,899,920	(177,309)	2,645,258	(522,039)
Designated funds	17	-	-	-	-
Revaluation reserve	17	16,144,522	20,753,819	16,144,522	20,753,819
<b>Total funds</b>		<u><u>19,044,447</u></u>	<u><u>20,576,515</u></u>	<u><u>18,789,780</u></u>	<u><u>20,231,780</u></u>

As permitted by s408 Companies Act 2006, the charitable company has not presented its own statement of financial activities and related notes. The charitable company's deficit for the year was £1,441,999 (2023: £1,938,472).

These financial statements were approved by the Trustees and authorised for issue on 16<sup>th</sup> May 2025 and are signed on their behalf by:

**Deborah McKinnel**  
**Chair**

The notes on pages 21 to 37 form part of these financial statements.



# RYDAL PENRHOS LIMITED AND SUBSIDIARIES

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 AUGUST 2024

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#### 1. ACCOUNTING POLICIES

##### **Charity information**

Rydal Penrhos is a charitable company limited by guarantee incorporated in England and Wales and registered with the Charity Commission. Rydal Penrhos Limited was incorporated on 19 December 1996 (company number: 3294434) and registered as a charity on 17 July 1997 (charity number: 1063489). The registered office is Old House, Pwllcrochan Avenue, Colwyn Bay, Wales, LL29 7BT.

The group consists of Rydal Penrhos Limited and all of its subsidiaries.

The Charitable Company's financial statements have been prepared in compliance with the Charities SORP (FRS 102) effective 1 January 2019.

##### **Legal Status**

The members of the company are the Trustees. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

##### **Accounting convention**

The financial statements have been prepared in accordance with the charity'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 (FRS 102) (as amended for accounting periods commencing 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102. The financial statements are prepared in sterling, which is the functional currency of the charity. 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 land and buildings and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The charitable company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The School has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

##### **Basis of consolidation**

The consolidated financial statements incorporate those of Rydal Penrhos Limited and all of its subsidiaries (i.e entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefit) on a line by line basis.

All financial statements are made up to 31 August 2024.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### NOTES TO THE ACCOUNTS (continued)

#### FOR THE YEAR ENDED 31 AUGUST 2024

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#### 1. ACCOUNTING POLICIES (continued)

##### **Going concern**

The accounts have been prepared on a going concern basis not with standing a deficit incurred in the year of £1,532,068 the consolidated net asset position of the school at 30 August 2024 was £19,044,447 and the consolidated net current liability position was £43,149.

The financial statements have been prepared on a going concern basis. The Trustees have reviewed forecasts for a period of at least 12 months from the date of approval of the financial statements. These forecasts indicate that the charity expects to incur a deficit and is reliant on certain significant receipts, including property sales and exceptional income, to maintain adequate cash flow.

##### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

The judgement that the catering equipment provided to the School through a contract with the catering provider effectively a loan and contingent liability (as set out in note 21) rather than a finance lease is considered a significant judgement.

In the view of the Trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

##### **School fees and similar income**

Fees receivable and charges for services and use of premises are accounted for in the period to which they relate, after deducting allowances, scholarships and other remissions granted by the School, but including contributions received from restricted funds.

Fees received for education to be provided in future years are carried forward as deferred income.

##### **Investment income**

Income from investments is accounted for on a receivable basis and includes all relevant tax credits.

##### **Donations, legacies, grants and other voluntary income**

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted income to general funds. Where the donor or an appeal has imposed trust law restrictions, income is credited to the relevant restricted fund.

# RYDAL PENRHOS LIMITED AND SUBSIDIARIES

## NOTES TO THE ACCOUNTS (continued)

### FOR THE YEAR ENDED 31 AUGUST 2024

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#### 1. ACCOUNTING POLICIES (continued)

##### **Government grants**

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

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

##### **Expenditure**

Expenditure is accrued as soon as a liability from a past event is considered probable. Irrecoverable VAT is included with the item of expense to which it relates. Costs of charitable activities include expenditure associated with the running of the School and include both direct and support costs.

##### **Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, personnel, payroll and governance. Governance costs comprise the costs of complying with constitutional and statutory requirements including strategic planning for its future development, external audit, any legal advice for the School's Trustees, the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

##### **Fixed assets**

Tangible fixed assets are initially measured at cost with expenditure on plant and equipment and motor vehicles over £1,000 being capitalised. All tangible fixed assets are 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:

Freehold property	0.5% straight line
Plant and equipment	20% straight line
Solar panels	5% straight line
Motor vehicles	25% 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 for the year.

##### **Impairment of fixed assets**

At each reporting end date, the charitable company 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).

##### **Fixed asset investments**

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

Investments in subsidiaries are valued at cost less provision for impairment.

## **RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

### **NOTES TO THE ACCOUNTS (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2024**

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#### **Debtors**

Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount it has paid in advance.

#### **Cash and cash equivalents**

Cash and cash equivalents include cash and deposits with a short term maturity of three months or less from the date of opening the deposit account. Bank overdrafts are shown within borrowings in current liabilities.

#### **Creditors and provisions**

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably, amounts are recognised at their settlement amount.

#### **Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the school and which have not been designated for other purposes.

Designated funds are unrestricted funds of the school that have been set aside by the Trustees for specific purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Endowment funds are retained on trust for the benefit of the school as a capital fund.

#### **Operating leases**

Rents payable under operating leases are charged in the Statement of Financial Activities on a straight-line basis over the period of the lease.

#### **Pension costs**

For eligible employees, the School contributes to the Teachers' Pension Scheme (TPS), a superannuation scheme which provides benefits based on final pensionable pay. The TPS is a multi-employer scheme and the School is unable to identify its share of the underlying assets and liabilities of the scheme. In accordance with FRS 102, the TPS is therefore treated as a defined contribution scheme and the contributions are recognised in the Statement of Financial Activities as they are paid each year.

Support staff may join the Aviva defined contribution group personal pension plan to which employees currently contribute 5% of their total pensionable salaries whilst the School makes a contribution of 3.2%. The contributions are recognised in the Statement of Financial Activities when incurred.

#### **Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

<b>2. DONATIONS &amp; LEGACIES</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Gifts and donations	1,077,694	-
	<u><b>1,077,694</b></u>	<u><b>-</b></u>
<b>3. SCHOOL FEES</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Gross fees and charges	4,863,680	4,874,197
Less: Bursaries, allowances and scholarships	(419,446)	(452,712)
<b>Group Total</b>	<u><b>4,444,234</b></u>	<u><b>4,421,485</b></u>
<b>4. TRADING AND OTHER INCOME</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Rents and lettings	268,150	254,226
Profit from the sale of property	-	-
Other income	7,323	6,775
	<u><b>275,473</b></u>	<u><b>261,001</b></u>
<p>There is a loss on a property sale of £1,071,870. This has been recognised within premises costs in the statement of financial activity.</p>		
<b>5. INVESTMENT INCOME</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Income from investments	19,027	400
	<u><b>19,027</b></u>	<u><b>400</b></u>
<b>6. NET MOVEMENT IN FUNDS</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Auditor's remuneration (including value added tax)	23,400	21,120
Other fees payable to the auditor	1,200	1,200
Depreciation	175,780	183,137
	<u><b>200,380</b></u>	<u><b>205,457</b></u>

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

<b>7. STAFF COSTS</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Wages and salaries	3,099,710	3,195,659
Social security costs	270,268	290,699
Pension contributions	412,689	575,817
Termination payments	-	13,737
	<u>3,782,667</u>	<u>4,075,912</u>

Aggregate employee benefits of key management personnel	<u>445,002</u>	<u>511,228</u>
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Key management personnel are considered to be the senior leadership team as set out on the company information page.

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
The average number of employees during the year was made up as follows:		
Teaching	41	43
Non-teaching	75	97
	<u>116</u>	<u>140</u>

The number of employees whose emoluments exceeded £60,000 per annum were:

£60,001 - £70,000	2	2
£90,001 - £100,000	-	-
£100,001 - £110,000	-	1
£110,001 - £120,000	-	-
£120,001 - £130,000	1	-
	<u>2</u>	<u>3</u>

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

**8. ANALYSIS OF EXPENDITURE**

	<b>Staff costs</b>	<b>Other</b>	<b>Depreciation</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>Total</b>	<b>Total</b>
				<b>£</b>	<b>£</b>
<b>Costs of raising funds</b>					
Bank interest and fees	-	45,765	-	45,765	66,768
<b>Costs of charitable activities</b>					
Teaching costs	2,948,371	291,905	-	3,240,276	3,558,676
Welfare costs	132,291	564,758	-	697,049	623,732
Premises costs	336,694	2,037,117	175,780	2,549,591	1,501,541
Support and governance costs	365,311	466,578	-	831,888	972,416
	<u>3,782,667</u>	<u>3,406,123</u>	<u>175,780</u>	<u>7,364,570</u>	<u>6,723,133</u>

**Comparative period**

	<b>Staff costs</b>	<b>Other</b>	<b>Depreciation</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>Total</b>
				<b>£</b>
<b>Costs of raising funds</b>				
Bank interest and fees	-	66,768	-	66,768
<b>Costs of charitable activities</b>				
Teaching costs	3,153,334	405,342	-	3,558,676
Welfare costs	116,310	507,422	-	623,732
Premises costs	369,839	948,565	183,137	1,501,541
Support and governance costs	436,429	535,987	-	972,416
	<u>4,075,912</u>	<u>2,464,084</u>	<u>183,137</u>	<u>6,723,133</u>

	<b>2024</b>	<b>2023</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Governance included in support costs</b>		
Trustees' expenses	1,660	2,803
Audit and accountancy fees	24,600	22,320
	<u>26,260</u>	<u>25,123</u>

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

**9. TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Land and Buildings £</b>	<b>Property Improvements £</b>	<b>Plant and Equipment £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 September 2023	23,968,000	240,807	1,195,195	108,410	25,512,412
Additions	-	-	375,439	8,667	384,106
Disposals	(4,980,500)	-	-	-	(4,980,500)
Revaluation	-	-	-	-	-
At 31 August 2024	18,987,500	240,807	1,570,634	117,077	20,916,018
<b>Depreciation</b>					
At 1 September 2023	639,148	61,156	1,065,842	99,608	1,865,754
Charge for year	10,755	1,204	54,887	8,934	175,780
Disposals	(148,630)	-	-	-	(148,360)
At 31 August 2024	601,273	62,360	1,120,729	108,542	1,892,904
<b>Net book value</b>					
At 31 August 2024	18,386,227	178,447	449,905	8,535	19,023,114
At 31 August 2023	23,328,852	179,651	129,353	8,802	23,646,658
<b>Company</b>					
<b>Cost</b>					
At 1 September 2023	23,968,000	240,807	1,195,195	108,410	25,512,412
Additions	-	-	375,439	8,667	384,106
Disposals	(4,980,500)	-	-	-	(4,980,500)
At 31 August 2024	18,987,500	240,807	1,570,634	117,077	20,916,018
<b>Depreciation</b>					
At 1 September 2023	639,148	61,156	1,065,842	99,608	1,865,754
Charge for year	10,755	1,204	54,887	8,934	175,780
Disposals	(148,630)	-	-	-	(148,360)
At 31 August 2024	601,273	62,360	1,120,729	108,542	1,892,904
<b>Net book value</b>					
At 31 August 2024	18,386,227	178,447	449,905	8,535	19,023,114
At 31 August 2023	23,328,852	179,651	129,353	8,802	23,646,658

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

**9. TANGIBLE FIXED ASSETS (continued)**

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Plant and equipment	12,686	25,371
Motor vehicles	-	4,345
	<u>12,686</u>	<u>29,716</u>

At 31 December 2020 the land and buildings were revalued by Stannybrook Property Consultants, Chartered Surveyors at £27,268,000. Therefore, at that date the resulting revaluation totalled £24,440,403. Stannybrook Property Consultants are independent valuers, not connected with the School. The valuation was conducted on an open market value basis of vacant possession and available voidspace. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The historic cost of the assets at 31 August 2024 is £4,649,514 (2023: £4,969,241). If the revaluation policy had not been applied, the carrying value of these assets would have been £2,232,371 (2023: £2,574,513). The depreciation on the revalued amount for the period was £83,362 (2023: £106,612).

<b>10. INVESTMENTS</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Group – listed investments</b>			
At 1 September 2023	190,583	-	190,583
Revaluation gains	16,074	-	16,074
	<u>206,657</u>	<u>-</u>	<u>206,657</u>
At 31 August 2024	<u>206,657</u>	<u>-</u>	<u>206,657</u>

The historic cost of the group listed investments held is £161,468 (2023: £161,468).

**Subsidiary undertakings**

The following subsidiaries have been consolidated in these accounts:

**Charities and funds**

Gillian Campbell Trust (1085795)	Charity number: 1085795
Rydal Penrhos (525752)	Charity number: 525752
Rosa Hovey Scholarship Trust	Charity number: N/A Trust

**Non-trading company**

Rydal Penrhos (Sport & Leisure) Limited	Company number: 03590034
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The registered office for each of the above subsidiaries is: Old House, Pwllcrochan Avenue, Colwyn Bay, Wales, LL29 7BT

<b>Company</b>	<b>Subsidiary undertaking</b>
	<b>£</b>
At 31 August 2024 and 31 August 2023	2
	<u>2</u>

The whole of the issued ordinary share capital of Rydal Penrhos (Sports & Leisure) Limited, a company registered in England and Wales, is held by nominee's on behalf of the School.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

**10. INVESTMENTS (continued)**

A summary of the balance sheet and profit and loss account from the audited financial statements is set out below:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Profit and loss account</b>		
Turnover	-	-
Expenditure	(72)	-
Other operating income	5,942	
	<u>5,870</u>	<u>-</u>
Net profit/loss before tax	<u>5,870</u>	<u>-</u>
<b>Balance sheet</b>		
Fixed assets	-	-
Current assets	5,872	2
	<u>5,872</u>	<u>2</u>
Current liabilities	-	-
Net Assets	<u>5,872</u>	<u>2</u>
Share capital	2	2
Profit and loss account	5,870	-
	<u>5,872</u>	<u>-</u>

**Company – listed investments:**

	<b>£</b>
<b>Market value</b>	
At 1 September 2023	4,842
Revaluation gains/(loss)	207
	<u>5,049</u>
At 31 August 2024	<u>5,049</u>

The historic cost of the investments at 31 August 2024 was £4,129 (2023: £4,129).

**11. DEBTORS**

	<b>2024</b>	<b>Group</b>	<b>2024</b>	<b>Company</b>
	<b>£</b>	<b>2023</b>	<b>£</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fees receivable	3,292,748	3,268,283	3,292,748	3,268,281
Prepayments and accrued income	167,729	69,988	167,729	69,988
Amounts owed from group undertakings	-	-	-	-
Other debtors	12,416	4,341	12,416	4,341
	<u>3,472,893</u>	<u>3,342,612</u>	<u>3,472,893</u>	<u>3,342,610</u>

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

<b>12. CREDITORS: due within one year</b>	<b>2024</b>	<b>Group</b>	<b>2024</b>	<b>Company</b>
	<b>£</b>	<b>2023</b>	<b>£</b>	<b>2023</b>
		<b>£</b>		<b>£</b>
Bank loans (note 14)	14,562	48,551	14,562	48,551
Trade creditors	370,212	732,344	370,212	732,344
Fees in advance	4,235,460	3,939,047	4,235,460	3,939,047
Other taxes and social security costs	74,362	1,295,359	74,362	1,295,359
Accruals and deferred income	246,217	147,440		147,440
Amounts owed to group undertakings	-	-	47,188	158,992
Other creditors	75,617	639,647	75,617	639,647
Finance lease	15,253	19,412	15,253	19,412
	<u>5,031,683</u>	<u>6,821,800</u>	<u>5,078,872</u>	<u>6,980,792</u>
<b>13. CREDITORS: due after more than one year</b>		<b>Group</b>		<b>Company</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans (note 13)	-	11,686	-	11,686
Other creditors	142,175	160,910	142,175	160,910
Finance lease	-	14,577	-	14,577
	<u>142,175</u>	<u>187,173</u>	<u>142,175</u>	<u>187,173</u>
<b>14. MATURITY OF DEBT</b>		<b>Group</b>		<b>Company</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Within one year	14,562	48,551	14,562	48,551
Two to five years	-	11,686	-	11,686
Over five years	-	-	-	-
	<u>14,562</u>	<u>60,237</u>	<u>14,562</u>	<u>60,237</u>

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### NOTES TO THE ACCOUNTS (continued)

#### FOR THE YEAR ENDED 31 AUGUST 2024

#### 15. FINANCIAL INSTRUMENTS

Group	2024 £	2023 £
Financial assets measured at amortised cost	3,305,165	3,272,622
Financial assets measured at fair value	206,657	190,583
Financial liabilities measured at amortised cost	(4,927,641)	(6,861,533)
Net financial liabilities measured at amortised cost	(1,415,819)	(3,398,328)

Financial assets measured at amortised cost comprise fee debtors and other debtors.

Financial assets measured at fair value comprise listed investments and investment property.

Financial liabilities measured at amortised cost include bank loans and overdrafts, trade creditors, other taxes and social security costs and other creditors.

#### 16. PENSION COMMITMENTS

##### Defined Benefit scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £495,709 (2023: £342,319) and at the year-end £44,041 (2023: £624,055) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Contributions from members and the employer are credited to the Exchequer and retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Governments Actuary Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2020, confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

##### Other pensions

The employer's contributions paid into the group personal pension plan operated for teaching and support staff amounted to £90,558 (2023: £41,475).

The amount outstanding for pension contributions at the year end were £7,536 (2023: £7,398).

In December 2024, the School withdrew from the TPS and commenced a new defined contribution group personal pension scheme with Royal London for teaching staff. Under the new scheme, employer contributions are made at 16% of pensionable salaries. This change is not reflected in the year-end figures, but will apply in the financial year ending 31 August 2025.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

The net assets are held for the various funds as follows:

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Permanent endowment £</b>	<b>2024 Total £</b>
<b>Group</b>				
Tangible fixed assets	19,023,114	-	-	19,023,114
Investments	206,657	-	-	206,657
Net current assets/(liabilities)	(43,154)	-	5	(43,149)
Creditors due after more than one year	(142,175)	-	-	(142,175)
	<u>19,044,442</u>	<u>-</u>	<u>5</u>	<u>19,044,447</u>
<b>Company</b>				
Tangible fixed assets	19,023,114	-	-	19,023,114
Investments	5,051	-	-	5,051
Net current assets/ (liabilities)	(96,209)	-	-	(96,209)
Creditors due after more than one year	(142,175)	-	-	(142,175)
	<u>18,789,781</u>	<u>-</u>	<u>-</u>	<u>18,789,781</u>

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Permanent endowment £</b>	<b>2023 Total £</b>
<b>Comparative period</b>				
<b>Group</b>				
Tangible fixed assets	23,646,658	-	-	23,646,658
Investments	177,159	13,424	-	190,583
Net current assets/(liabilities)	(3,292,890)	207,646	5	(3,085,239)
Creditors due after more than one year	(175,487)	-	-	(175,487)
	<u>20,355,440</u>	<u>221,070</u>	<u>5</u>	<u>20,576,515</u>
<b>Company</b>				
Tangible fixed assets	23,646,658	-	-	23,646,658
Investments	4,844	-	-	4,844
Net current assets/ (liabilities)	(3,251,757)	7,522	-	(3,244,235)
Creditors due after more than one year	(175,487)	-	-	(175,487)
	<u>20,224,258</u>	<u>7,522</u>	<u>-</u>	<u>20,231,780</u>

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

**17a. ENDOWED FUNDS**

	<b>At 1 September 2023 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains/(losses) £</b>	<b>Transfer £</b>	<b>At 31 August 2024 £</b>
<b>Group</b>						
Permanent capital endowment	5	-	-	-	-	5
	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>

	<b>At 1 September 2022 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains/(losses) £</b>	<b>Transfer £</b>	<b>At 31 August 2023 £</b>
<b>Group</b>						
Permanent capital endowment	5	-	-	-	-	5
	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>

This permanent capital endowment lies within Rydal Penrhos (charity 525752) held for the general purposes of Rydal Penrhos and must be retained within the group.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

**17b. RESTRICTED FUNDS**

<b>Group</b>	<b>At 1 September 2023 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfer £</b>	<b>At 31 August 2024 £</b>
Comenius Multilateral School Partnership Grant (Company)	-	-	-	-	-
Rosa Hovey Scholarship Fund	-	-	-	-	-
Gillian Campbell	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Comparative period</b>	<b>At 1 September 2022 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfer £</b>	<b>At 31 August 2023 £</b>
Comenius Multilateral School Partnership Grant (Company)	7,522	-	-	(7,522)	-
Rosa Hovey Scholarship Fund	19,842	<b>313</b>	-	(20,155)	-
Gillian Campbell	382,104	-	-	(382,104)	-
	<u>409,468</u>	<u>313</u>	<u>-</u>	<u>(409,781)</u>	<u>-</u>
	<u><u>409,468</u></u>	<u><u>313</u></u>	<u><u>-</u></u>	<u><u>(409,781)</u></u>	<u><u>-</u></u>

Following a review of the restricted funds, it was agreed that the restrictions for each of these funds had become outdated and were no longer applicable. Therefore, on the 5th March 2024, the board approved the transfer of each restricted funds residual balance into the unrestricted fund in the prior year.

RYDAL PENRHOS LIMITED AND SUBSIDIARIES

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

17c. UNRESTRICTED FUNDS

	At 1 September 2023	Income	Expenditure	Gains/ (losses)	Transfers	At 31 August 2024
Group	£	£	£	£	£	£
<b>General reserve</b>	(177,309)	5,816,428	(7,364,570)	16,074	4,609,297	2,899,920
<b>Revaluation reserve</b>	20,753,819	-	-	-	(4,609,297)	16,144,522
<b>Designated funds</b>						
Scholarship and Development	-	-	-	-	-	-
Donald Hughes and Percy Heywood Fund	-	-	-	-	-	-
Total designated funds	-	-	-	-	-	-
Total unrestricted funds	20,576,510	5,816,428	(7,364,570)	16,074	-	19,044,442
	<b>At 1 September 2022</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/ (losses)</b>	<b>Transfers</b>	<b>At 31 August 2023</b>
Group	£	£	£	£	£	£
<b>General reserve</b>	744,598	4,673,429	(6,723,133)	-	1,127,798	(177,309)
<b>Revaluation reserve</b>	21,340,725	-	-	-	(586,907)	20,753,819
<b>Designated funds</b>						
Scholarship and Development	-	-	-	-	-	-
Donald Hughes and Percy Heywood Fund	123,174	9,144	-	(1,208)	(131,110)	-
Total designated funds	123,174	9,144	-	(1,208)	(131,110)	-
Total unrestricted funds	22,208,497	4,682,573	(6,723,133)	(1,208)	409,781	20,576,510

The revaluation reserve arose in 2021 from the uplift and subsequent depreciation of land and buildings during the period. Further details on this revaluation are included in note 8.

Following a review of the designated funds, it was agreed that the designations for each of these funds had become outdated and were no longer applicable. Therefore, on the 5th March 2024, the board approved the transfer of each designated funds residual balance into the unrestricted fund in the prior year end.

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### NOTES TO THE ACCOUNTS (continued)

#### FOR THE YEAR ENDED 31 AUGUST 2024

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#### 18. BANKING FACILITIES

##### Bank loans

On 26 August 2007, the School entered into an agreement to borrow up to £600,000 in the form of a loan to finance the construction of a sixth form recreation area within the existing dining hall, and the refurbishment of the Preparatory School. At the balance sheet date the amount owing was £14,562 (2023: £60,237). These facilities are secured by legal mortgages over the land and buildings in which legal ownership vests in the Trustees of the Methodist Secondary Education Trust Deed of 1903 as custodian Trustees at the direction of Rydal Penrhos Limited, as beneficial owners (who are the managing Trustees). A letter of comfort has also been jointly given by the company and the Trustees of the Methodist Secondary Education Trust.

On 24 March 2001, the company together with Rydal Penrhos (Sports & Leisure) Limited entered into an unlimited multilateral guarantee, with the company's bankers.

#### 19. FINANCIAL COMMITMENTS

At 31st August 2024 there were capital commitments of £168,000 for plant and machinery (2023: £nil).

#### 20. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2024 the School had total commitments under non-cancellable operating leases as set out below:-

	Assets other than land & buildings	
	2024	2023
	£	£
<b>Operating leases which expire:</b>		
Within 1 year	53,918	59,718
Within 2 – 5 years	8,650	22,651
	<u>62,569</u>	<u>82,369</u>

#### 21. RELATED PARTY TRANSACTIONS

Transactions and balances between the School and the various subsidiaries are eliminated on consolidation.

Trustees are volunteers and are not remunerated, however, Trustees' expenses totalling £1,660 (2023: £2,803) for travel and accommodation have been reimbursed.

Transactions with companies in which trustees have an interest are conducted at arm's length and on normal commercial terms.

#### 22. CONTINGENT LIABILITY

The School's catering provider invested £500,000 in equipment in 2019 for use over the contract period. The agreement contains a clause requiring the School to repay the unamortised amount of this investment if the agreement is terminated over the contract period. At the year end the contingent obligation would have been £143,373 inc VAT.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

**23. POST BALANCE SHEET EVENTS**

In December 2024, the School exited the Teachers' Pension Scheme (TPS). From this date, all teaching staff were enrolled in a new defined contribution group personal pension scheme operated by Royal London. Under the new scheme, the School contributes 16% of pensionable salary. This change occurred after the year-end and does not impact the financial position reported as at 31 August 2024. No adjustment has been made to these financial statements in respect of this event.

In addition a new subsidiary has been set up MountCare Residential Limited as a private limited company without share capital. This company is for residential care and will not trade until at least 1 August 2025.

**24. COMPARATIVE CONSOLIDATED SOFA**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Permanent endowment £</b>	<b>2023 Total £</b>
<b>INCOME FROM:</b>				
<b>Charitable activities:</b>				
School fees	4,421,485	-	-	4,421,485
<b>Trading and other activities:</b>				
Lettings income	254,226	-	-	254,226
Other income	6,775	-	-	6,775
<b>Investments</b>				
Investment income	87	313	-	400
<b>Total income</b>	<u>4,682,573</u>	<u>313</u>	<u>-</u>	<u>4,682,886</u>
<b>EXPENDITURE ON:</b>				
<b>Raising funds:</b>				
Finance costs	66,768	-	-	66,768
<b>Charitable activities:</b>				
Teaching costs	3,558,676	-	-	3,558,676
Welfare costs	623,732	-	-	623,732
Premises costs	1,501,541	-	-	1,501,541
Support and governance costs	972,416	-	-	972,416
<b>Total expenditure</b>	<u>6,723,133</u>	<u>-</u>	<u>-</u>	<u>6,723,133</u>
<b>Net (expenditure) before investment gains</b>	(2,040,560)	313	-	(2,040,247)
Net gains/(losses) on investments	(1,208)	-	-	(1,208)
Gross transfer between funds	409,781	(409,781)	-	-
<b>Net movement in funds</b>	(1,631,987)	(409,468)	-	(2,041,455)
<b>Reconciliation of funds:</b>				
Total funds brought forward	22,208,497	409,468	5	22,617,970
<b>Total funds carried forward</b>	<u><u>20,576,510</u></u>	<u><u>-</u></u>	<u><u>5</u></u>	<u><u>20,576,515</u></u>

**RYDAL PENRHOS LIMITED**

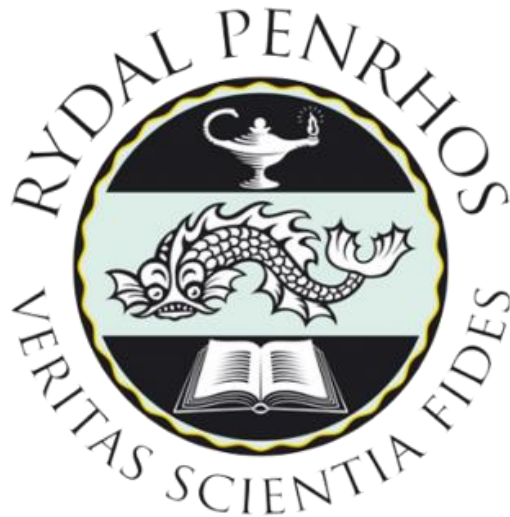
England & Wales - Charity number 1063489

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# Accounts

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**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED**  
**31 AUGUST 2022**



**COMPANY REGISTRATION NUMBER: 3294434**  
**CHARITY NUMBER: 1063489**

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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# RYDAL PENRHOS LIMITED AND SUBSIDIARIES

## COMPANY INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2022

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<b>Incorporation</b>	19 December 1996
<b>Company registration number</b>	3294434
<b>Charity number</b>	1063489
<b>Trustees</b>	Mrs D McKinnel (Chair) Mr JP Burgess Mr M Gilman <i>L A</i> Mr D Humphreys Mr B Park <i>R A</i> Mr J C Salisbury <i>R A</i> Mrs BAM Watson <i>L A T</i> The Revd Dr S Wigley Mrs J Cooper <i>L</i> Mrs D Keogh <i>L</i> (Appointed 1 March 2022) Mr N Jewsbury <i>L</i> (Appointed 5 May 2022) Mr J Barnes (Former Chair) (Resigned 18 February 2022) Dr D Fazey <i>L</i> (Resigned 1 March 2022) Mr JMA Wilford <i>A</i> (Resigned 18 February 2022) Mr IM Williams <i>R</i> (Resigned 11 September 2021) Mr C Wolfendale <i>R</i> (Resigned 22 November 2022)

### Key of Committee Membership

- *Learning & Personnel - L*
- *Resources - R*
- *Audit & Risk - A*
- *Trusts – T*

The Trustees of the Rosa Hovey Scholarship Trust consist of a committee of the Head and three Trustees.

<b>Head/Principal</b>	JE Waszek
<b>Company Secretary</b>	H Filbee (Resigned 31 August 2022)
<b>Key Management Personnel</b>	JE Waszek - Principal L Davies - Head of Prep School A Thomas – Assistant Head R Williams – Assistant Head P Sutton – Deputy Head Senior School R Beamish – Chaplain (Appointed 1 September 2021) H Filbee – Bursar (Resigned 31 August 2022) SA Harding - Head of Senior School (Retired 31 August 2021)
<b>Registered Office</b>	Old House, Pwlycrochan Avenue Colwyn Bay, Wales, LL29 7BT
<b>Bankers</b>	National Westminster Bank plc. Union Street, Chester, CH1 1UA
<b>Solicitors</b>	Pothecary Witham Weld 70 St Georges Square, London, SW1V 3RD
<b>Auditors</b>	Xeinadin Audit Limited 2 Hilliards Court, Chester, CH4 9PX

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**COMPANY INFORMATION AND TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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The Trustees (who are also the directors for the purposes of company law) submit their report and the accounts for the year ended 31 August 2022.

**Structure, governance and management**  
**Constitution**

The company is limited by guarantee and has no share capital. Every member of the company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year of ceasing to be a member, for debts and liabilities of the company contracted before he or she ceased to be a member, such amount as may be required not exceeding £10.

The governance and objects of the School are as laid down in the Articles of Association and Memorandum of Association which incorporates the provisions of the Methodist Secondary Education Trust Deed 1903, as subsequently amended.

**Trustee body**

A list of Trustees of the charity who served during the year and since the year end at 31 August 2022 is shown on the company information page.

Trustees are appointed for a term of five years and may stand for re-election. Conference nominated Trustees are appointed for three years. The Trustee body meets a minimum of four times a year and delegates responsibility to sub-committees as necessary.

The Board seeks to have a broad range of business, professional and educational skills; Trustees receive induction training and are encouraged to participate in regular training in their areas of particular interest.

**Organisational Management**

The Trustees determine the general policy and strategy of the School; the implementation of strategy and the management of the School is delegated to the Head and the Bursar, supported by Senior Leadership Team who together form the key management personnel.

Remuneration amounts are set by the Board and reviewed annually including reference to comparisons with other independent schools. The policy objective is ensuring appropriate incentives to encourage enhanced performance and, in a fair and responsible manner, rewarding for individual contributions to the School's success. The Board appoints the Principal, the Head of Finance and the Chaplain.

**Related Entities**

Details of related entities are incorporated within the related party transactions note to the accounts.

## **VALUES, AIMS AND OBJECTIVES**

Rydal Penrhos seeks to benefit the public through the pursuit of its stated aims 'to advance education and learning'. The Trustees have given due consideration to the Charity Commission's general guidance on public benefit. The school welcomes pupils from all backgrounds; to admit a prospective pupil the school must be satisfied that the school will be able to educate and develop that pupil to the optimum of his or her potential and in line with the general standards achieved by their peers. The Methodist foundation of the school is important to its identity and the way it promotes pupils' attitudes and responsibilities to each other and society at large.

### **Our Aims and Objectives**

Our key objectives for the year were:

- To improve the financial operation of the school by focussing the impact of expenditure on pupil outcomes.
- To enhance the quality of teaching and learning by a strong focus on in service training and performance management for teaching and support staff.
- To continue providing a vibrant, coherent and diverse curriculum that allows pupils to thrive and achieve the best possible results.
- To further improve academic performance. The results in the school are already of a high standard compared with the national average, however, we should always strive to be better than the previous year and therefore set targets for the Heads of Faculty. Our Value Added as reported by Centre for Evaluation and Monitoring, CEM, is very high, and we often achieve scores in the top 5% of schools in the country.
- To enhance the liturgical life of the school, retaining the central importance of Methodist values to the school's approach while continuing to welcome members of other faiths in a spirit of openness and tolerance.
- To improve the school's relationship with all stakeholders, including pupils, parents, staff, alumni and local residents.
- To maximise community and commercial uses of our facilities, to benefit local people and generate funds for further investment in pupil outcomes.
- To expedite the development of the school's estate and facilities with the intent of improving educational outcomes, aligning various parts of the school, raising funds for further investment and adding value to our local area through the positive, environmentally-conscious redevelopment of redundant assets.
- To build for a long-term increase in the school's fundraising income, with the aim of supporting our Fully Funded Places scheme through the Donald Hughes Trust.

## **STRATEGIC REPORT**

### **Review of Operational Performance of the School**

#### **Academic**

Rydal Penrhos provides excellent academic teaching and support (improving in turn the long-term life prospects of local children and young people) through its stated aim 'to advance education and learning'. This aim complies with section 3(1)(b) of the Charities Act 2006, and in serving the public qualifies as a charitable purpose as specified in section 2(1).

Estyn most recently inspected Rydal Penrhos in March 2020 and said that the school "is facing the future with growing confidence". Rydal Penrhos "provides a caring environment and supports pupils effectively in developing an understanding of their roles and responsibilities as part of a school community". They confirmed that the school meets all of the Independent School Standards (Wales) Regulations 2003.

**Academic (continued)**

Rydal Penrhos places primary importance on pupils fulfilling their academic potential, securing the best possible examination results and, in turn, moving onto a bright future in the world of work and higher education, bringing value to the businesses, communities and individuals they encounter. In recent years, Rydal Penrhos has further developed its reputation as a school that consistently gets the best from its pupils with successive years of positive Value Added scores

Over the year, Rydal Penrhos pupils continued to thrive, underpinned by quality teaching and a strong supportive community spirit. Pupils achieved excellent results, from the youngest pupils to eighteen-year-old A-Level candidates. When pupils join Rydal Penrhos at an early age, the outstanding education they receive each year compounds over time, elevating their levels of academic performance above the norm and allowing pupils to tackle their next educational challenge from a starting position of strength.

Exam Results and Value Added

In August 2022, Rydal Penrhos pupils once-again achieved exceptional results at both GCSE and A-Level, continuing the trend of recent years.

Of Year 11 pupils taking their GCSEs, 37% secured A\* (or 9 to 8) grades, with 57% achieving A\* to A (9 to 7). This far exceeds the national average in Wales for those with A\* to A grades, which stands at 25.1%. The number of pupils securing pass rates from A\* to B (or 9 to 6) was 81%. A total of 97% of all grades were A\* to C (or 9 to 4), which far eclipses the national average in Wales of 68.6%.

The results meant that the school's 'value-added' statistic (as measured by the Centre of Evaluation and Monitoring at the University of Cambridge) for GCSE was 0.4. This means that, on average, in four out of ten examinations our pupils scored a grade higher than they would at the average school.

A-Level candidates fared similarly well, with 37.78% securing the top A\* grade and 64.2% attaining grades in the A\* to A range. Those achieving A\* to B grades stood at 80.5%, while 92.7% of pupils achieved A\* to C grades. Rydal Penrhos' pass rate (A\* to E) remained at 100%; it was the eighth time since 2000 that Rydal Penrhos achieved this feat.

As at GCSE level, Rydal Penrhos' 'value-added' score for A-Level was 0.4. Again, this means that, on average, in four out of ten examinations our pupils scored a grade higher than they would at the average school or sixth form college.

Exam Preparation and Study Skills

Rydal Penrhos seeks to attain continued improvement in its already outstanding examination results by further improving (a) the quality of teaching and lessons and (b) the exam competency of pupils. Over the year there was a considerable focus on the latter, given that many pupils in the final year of their GCSE or A-Level courses had not participated in public examinations due to the Covid-19 pandemic.

Pupils sitting public examinations in the summer of 2022 or 2023 were invited to study skills presentations led by Maximise Your Potential, an industry-leading educational workshopping firm offering bespoke study skills for secondary school pupils. Aside from providing useful study techniques and exam tips to pupils, the presentations also focused on promoting well-being and proper time management in the lead up to examinations.

In the year, Rydal Penrhos introduced a new initiative of Easter GCSE Revision Courses. Over three days in April, specialised tuition was offered in the core GCSE subjects of English, Maths and Science. The sessions were delivered by Rydal Penrhos teachers; many of whom were faculty leaders and/or examiners in their subjects. As part of the Revision Courses, Rydal Penrhos also organised a study-skills seminar designed to teach effective revision and exam strategies. Appreciating the opportunity to support local young people by raising their exam prospects, the school opened the Easter GCSE Revision Courses to young people both in- and outside the Rydal Penrhos community.

**Academic (continued)**

Exam Preparation and Study Skills (continued)

Individual subjects, teachers and classes also adopted specific measures to boost pupils' studies. These included, but were not limited to: subject-specific academic clinics during the hour of allotted extra-curricular time at the end of the day, allowing pupils to access extra support if needed; the creation of revision podcasts, allowing pupils to access spoken-word resources created by their teachers in their own time; and the invitation of recent high-performing alumni to deliver talks on how they achieved examination success.

Science, Technology, Engineering and Mathematics (STEM) Education

The school recognises the growing importance of STEM fields in the modern economy, labour market and educational sector. The school considers many of the skills attainable through the study of STEM – including problem-solving, real-time thinking, intellectual curiosity, leadership and learning from mistakes – to be essential to the flourishing of pupils into productive citizens, equipped to contribute to modern society. As such, Rydal Penrhos seeks to promote maths and science skills in its pupils throughout the school and cultivate their engagement in those subjects both in- and outside the classroom.

Prep pupils aged five (i.e. Reception) and above receive weekly STEM lessons as part of the standard timetable. Over the year, Prep classes took part in several projects to improve their understanding of the fundamental concepts surrounding STEM: Reception travelled to Welsh Mountain Zoo to learn about different animal species; while Year 2 designed their own litter-catching machines and travelled to the local beach to discover the effects of pollution and climate change. Year 5 also benefitted from the visit of a third-year Cardiff University medical student, who led a Science lesson on children's medical conditions.

Science and Maths form two of the main pillars of the curriculum in Senior year groups, with the two subjects combined accounting for nine lessons a week (or a third of the timetable) in Year 7. This is not to mention the up-to three lessons a week in Design Technology and Computer Science. Beyond curriculum lessons, pupils also have access to STEM Club, which allow pupils to explore hands-on, applied science and mathematical concepts beyond the standard syllabus.

Pupils regularly take part in STEM-related competitions, both individually and in teams. In the UKMT Intermediate Maths Challenge, 22 pupils achieved Gold, Silver or Bronze certificates, with two pupils qualifying for the advanced stages of the competition. Two Sixth Form pupils received commendations for their efforts in the Intermediate Biology Olympiad, an annual international competition open to pupils in the first year of post-16 education anywhere in the world.

Rydal Penrhos was especially proud of its team of Year 9 scientists who proved victorious in a STEM Olympics competition hosted by the Grange School, Northwich. Participating in various challenges that included dissection, dentistry, crime scene investigation, model rocket launching and coding, the Rydal Penrhos team defeated a field of over 30 other leading independent schools from Wales, Cheshire and the North West.

**Preparation for Life After School; University Destinations**

Rydal Penrhos places a great emphasis on supporting its pupils as they prepare to enter higher education and post-school life. The school employs a dedicated UCAS and Careers focused staff member who advises pupils on a variety of issues relating to higher education.

In the Summer 2022, Rydal Penrhos alumni went on to study at several leading UK universities, including Russell Group institutions such as the University of Birmingham, the University of Edinburgh, the University of Liverpool, the University of Warwick, the University of York and Imperial College London, among others.

For pupils electing not to enter higher education immediately, or at all, the school provides support in organizing gap year opportunities and exploring potential employment or apprenticeship routes. A 2022 leaver secured a prestigious three-year finance apprenticeship working within the National Health Service. Over the course of the apprenticeship, the school leaver will take the Level 2-4 Association of Accounting Technicians assessments, with Completion of Level 4 leading to a professional diploma in accountancy.

## **RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **Extracurricular**

Rydal Penrhos recognises the importance of a balanced curriculum and opportunities to develop interests and skills beyond the classroom. Each day, between 15:30 and 16:30, pupils from Reception upwards have the choice of participating in a wide range of extracurricular clubs and societies, with over 100 options in total.

Rydal Penrhos is keen to see its pupils pursue their academic curiosity beyond the classroom. As such, several clubs and societies with an academic focus are available as part of the extra-curricular programme, including the likes of Model United Nations and the Coding Club.

Music, drama and sport play an important part in school life and participation is encouraged at all levels and ages, thus developing wider interests, team spirit and resilience. The school's enviable location enables pupils to enjoy sailing, golf and outdoor activities including individual and team sports.

#### The Duke of Edinburgh Award

Rydal Penrhos is a Licensed Centre for the popular Duke of Edinburgh (DofE) Award scheme and offers all three levels of the prestigious programme. Under the guidance and tutelage of our specialist DofE coordinator, 44 pupils completed their Bronze Award in 2021/22, while a further 25 completed their Silver Award.

#### Combined Cadet Force

The Combined Cadet Force (CCF) is sponsored by the Ministry of Defence to "provide a disciplined organisation in a school so that pupils may develop powers of leadership by means of training to promote the qualities of responsibility, self-reliance, resourcefulness, endurance and perseverance".

The CCF is open to all pupils from Year 8, with a dedicated base situated on school grounds. In the year, the school's cadets participated in a CCF camp at Swynnerton Training Area in Staffordshire, where pupils put the skills that they had developed over the year, including navigation, teamwork and resilience, into practice. Rydal Penrhos were also visited by the school's sponsor regiment, the 1<sup>st</sup> Queen's Dragoon Guards, for the first time.

#### **Sports and Outdoor Education**

Rydal Penrhos recognizes the positive impact of sports in bringing communities together and promoting health and wellbeing. The school has a proud sporting history and maintains sporting facilities of the highest order to support and encourage its emerging sportspeople. Various sports days were held in school across the year, as well as the annual Colours Awards, which recognise the individual achievements of Rydal Penrhos pupils.

Team sports at Rydal Penrhos thrived over the year. Two Rydal Penrhos pupils served as captain and vice-captain of the North Wales U13 girls hockey squad that competed in a national tournament in Nottingham. The U16 Rugby Sevens side competed in a tournament hosted and organised by the school, which featured several schools and teams from across North Wales and the North of England. Rydal Penrhos also hosted its annual cricket match against Marylebone Cricket Club (MCC) on the school's historic New Field. Based out of Lord's Cricket Ground in London, MCC is one of the oldest and most prestigious cricket clubs in the world, and once served as governing body of the game.

With its own sailing facilities and access to the dry-slope in Llandudno, the school offers extensive opportunities for pupils to participate in sailing and skiing. The school achieved six first-place finishes at the 2022 North Wales Ski Championships, alongside many other strong results. Rydal Penrhos sailors have attained call ups to the RYA Cymru Wales ILCA and British Sailing squads; one pupil finished second at the prestigious Eric Twiname Junior Championships, which took place at Rutland Sailing Club and featured some of the brightest young sailors from across the nation.

### **Sports and Outdoor Education (continued)**

Rydal Penrhos seeks, wherever possible, to aid its pupils in their individual sporting pursuits. Over the year, pupils achieved several notable individual feats:

- A Year 11 pupil and member of the Colwyn Bay Athletics Club won gold in the 100 meter-final at an athletics meeting in Warrington, which featured many of the most promising young athletes from across North Wales, Cheshire and the North West.
- A Sixth Form golfer competed at the Sir Henry Cooper Junior Masters, having already secured a scholarship to further his golfing ambitions in the United States once he has finished his time at Rydal Penrhos.
- A Sixth Form pupil, who regularly participates in Hockey Wales Regional Performance Centre training, attained several caps for the U18 Wales team and attended their overseas tour to the Netherlands.

### **Creative Arts**

Rydal Penrhos is proud to offer its pupils numerous opportunities to get involved in creative arts subjects (including Drama, Music, and Art), as part of both timetabled lessons and extra-curricular sessions. By providing pupils the opportunity to express their creativity and individuality, the school hopes to produce confident and engaging young people, ready to make an important contribution in society and the workplace.

Rydal Penrhos has a rich history of music that spans several instruments, genres and generations. In addition to a thriving curriculum music programme over the year, pupils across the school contributed to a series of successful concerts during the late spring and early summer. Audiences enjoyed a variety of performances involving a range of instruments, thanks to the school's initiative to introduce every Prep year group to a particular musical instrument over the course of an academic year.

Pupils sought to bring their positive approach to music to the public by performing for nearby nursing homes, civic services and the National Methodist Choir of Great Britain nationwide song drive, in support of HRH Queen Elizabeth II's Platinum Jubilee. Rydal Penrhos pupils also excelled in music examinations, with several pupils attaining excellent Associated Board of the Royal Schools of Music (ABRSM) results, including the top Grade 8 level of certification.

Music played a particularly important role in the school's attempts to connect to its local community over the year. The Rydal Penrhos Community Choir was relaunched and a Rydal Penrhos Community Wind Band was established, allowing enthusiastic local musicians, including pupils, alumni, parents, and other friends of the school, to share and practice their craft. Both groups rehearse in school, making use of its facilities, and both performed as part of the school's Four Choirs Concert in the spring.

As with Music, curriculum Drama continued to thrive over the year. Outside of lesson time, Rydal Penrhos' developing actors and musicians led successful dramatic productions of 'Paws and Claws' in the Prep and 'Matilda' in the Senior section, alongside the annual Prep nativity play. Pupils also benefitted from a combat performance workshop, which sought to develop their physical theatre skills and teamworking.

Rydal Penrhos offers peripatetic teaching in Speech and Drama. Rydal Penrhos has a long-standing tradition of Speech and Drama, with lessons available for pupils in Years 7 to 13 individually or in pairs and small groups. The sessions are designed to not only boost communication and acting skills, but also promote the confidence, creativity, and selflessness of our pupils, as they learn to work together in their groups. The school consistently returns outstanding results at the Chester Competitive Festival of Performing Arts; in 2022, the school secured 14 first-place awards.

The significance of Art at Rydal Penrhos is visually apparent from the number of pupil artworks that adorn all areas of the school site. Rydal Penrhos has produced many talented artists over the years and the school is pleased to see several current pupils on track to achieve similar success. In the early summer, Rydal Penrhos celebrated the achievements of its Art exam candidates through the return of its annual Art Exhibition, which had been in hiatus due to the pandemic.

## **RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **Creative Arts (continued)**

Both Prep and Senior pupils benefit from access to spacious, well-equipped Art Studios that support pupils' work across a range of different mediums. Under the tutelage of experienced teachers, pupils studied a wide range of themes, styles, and artistic cultures from around the world; from a broad-scope investigation of Mexican art to focus on individual creators including Amedeo Clemente Modigliani or self-taught engraver Colin See-Paynton.

#### **School Trips**

Rydal Penrhos recognises the value of educational excursions to enhance the learning and development of pupils. While the Covid-19 pandemic forced a temporary hiatus on school trips, over the year 2021-22 the school was able to conduct several trips while adhering to Welsh Government guidelines and protecting pupils' safety.

Given the school's location – less than a five-minute walk from the North Wales coastline, within a half-hour drive of Snowdonia National Park and within a short distance of the A55 – teachers, sports coaches and outdoor education instructors conduct excursions to a variety of local destinations. Nearby locations visited by pupils over the year include Conwy Castle, Yr Wyddfa (Snowdon), Llandudno's Great Orme, and Llyn Geirionydd, for purposes including Sixth Form ecology surveys and a Year 2 fossil-hunting field trip.

Year 5 pupils visited DangerPoint North Wales, an interactive life skills education centre teaching children about safety across several settings and scenarios. Meanwhile, Senior pupils studying History benefitted from trips to Hack Green Secret Nuclear Bunker in Nantwich and the Sick to Death experience at St Michaels Church in Chester, where the history of medicine throughout the ages is depicted with a focus on plagues and pandemics.

In the year, the school announced an overseas trip to Poland scheduled for the 2022/23 academic year, with the purpose of supporting learning regarding culture and history.

#### **Admissions**

Rydal Penrhos aims to educate as many pupils as it can without sacrificing the standard of its provision. The school recognises that, by educating more children and young people, it increases the scale of the public good generated by its work.

Pupil numbers across the school grew strongly throughout the year in 2021/22. In the Trinity (or Summer) Term, the number of day pupils in school reached its highest point since 2008. This demonstrates the rapid adaption Rydal Penrhos has made to its new identity as a day-only school for families across Anglesey, mainland North Wales and the English border regions.

#### **Fees, Fully Funded Places, Scholarship Premiums and Bursaries**

In line with Rydal Penrhos' strategic plan, the school operates a fair and transparent fees system. The qualifying criteria for our financial assistance measures – the Fully Funded Place, Scholarship Premiums and Bursary Schemes – are clearly defined and available to prospective parents.

Rydal Penrhos aims to set fees at the minimum required level to provide a high-quality education to every pupil. This way, the school can offer its educational provision to more children and young people, thus increasing the effect of its charitable purpose. The school's attempts to keep fees to a minimum are demonstrated by a consistent decrease in school fees (when adjusted by CPI) between the period 2018/19 and 2021/22. This has been made possible by a series of efficiency and cost-reduction measures made across the school, without sacrificing the quality of our service.

**Fees, Fully Funded Places, Scholarship Premiums and Bursaries (continued)**

In order to ensure that a Rydal Penrhos education is, as far as possible, easy to access and free of hidden charges, the school includes as many elements as possible within the standard fee. This includes the nutritious school meals available, both in the school's Dining Halls and on the go as part of packed lunches for pupils travelling to fixtures, trips and so forth. Additionally, the school funds all examination entry fees for GCSE and A-Level pupils. This represents a saving of approximately £500 for a Year 11 pupil, £200 in Year 12 and £350 in Year 13.

By each year offering two Fully Funded Places in Year 7 and Year 12 to new pupils joining from the North Wales area, Rydal Penrhos serves the public interest, supporting local, disadvantaged people who have the ability to achieve great things and contribute to society at large.

The Trustees view the school's various awards as important in helping to ensure that children from families who would not otherwise afford the fees have a means to access the education offered by the school. The school aims to develop exceptional talent, to widen participation and demonstrate public benefit and this is supported by the provision of scholarships and bursaries for senior pupils.

Bursaries are available to those who meet the entry requirements on the basis of parental means or relief of hardship. The school takes many factors into consideration including income, investments, savings and circumstances.

**Fundraising**

The school recognises the importance of fundraising to the continued operation and growth of our Fully Funded Places and Scholarship Premiums. A substantial proportion of fundraising activities by the school are now in support of these schemes. The school continues to maintain several trusts and memorial funds, most notably the Donald Hughes Trust.

**Alumni**

Rydal Penrhos is delighted to maintain a rich and active relationship with its alumni, several of whom are parents and/or members of staff. The school's alumni association, the Rydal Penrhos Society, brings together former pupils of Penrhos College, Rydal School, and Rydal Penrhos School.

The Society has over 2500 active members, with whom the school is in regular contact, sharing newsletters, alumni-related news stories and other forms of communications.

Former pupils participate in a wide-range of Society Sports, including hockey, cricket, netball, rugby and golf. Each year a number of named trophies are contested, including the prestigious Marsden Trophy, a golf competition first established in 1932, and the Natalie Kate Moss Trophies for netball and hockey, played in memory of their namesake each Founders' Weekend.

The annual Founders' Weekend celebrations in September 2021 saw many alumni return to Colwyn Bay to participate in a variety of events. The evening dinner on the Saturday featured alumni from the Society's newest cohort, the Class of 2021, alongside several other generations of Old Rydaliens and Penrhosians.

The school appreciates the generosity of its alumni in support of the Donald Hughes Trust.

### **Staff**

Training and performance management for our staff are considered highly important and as such the school has organised several training days. The school uses appraisal software such as BlueSky Education that allows staff to set targets for themselves and others under their management.

### **Infrastructure Investment & Changes to the School Estate**

The school recognises the importance of fundraising to the continued operation and growth of our Fully Funded Places and Scholarship Premiums. A substantial proportion of fundraising activities by the school are now in support of these schemes. The school continues to maintain several trusts and memorial funds, most notably the Donald Hughes Trust.

### **Staff**

Over the year, Rydal Penrhos continued to progress plans to relocate the Prep, with the aim of:

- Securing the position of the school as a thriving forward-looking successful twenty-first century day school.
- Further improving the use and quality of resources across the whole school to benefit all pupils.
- Seeking to future proof the school estate for potential educational developments.
- Ensuring that the school estate is safe and secure for all pupils, staff and visitors.

The relocation of the Prep away from Pwlycrochan will allow younger pupils to make use of existing facilities on the Senior site. Revenues from the sale of Pwlycrochan will be invested in infrastructure projects across the school. The old Prep site will be sensitively redeveloped to create diverse new housing with open public spaces and maximum biodiversity. Crucially, the listed Pwlycrochan building will have its external façade retained and restored.

The restoration of the Osborn Hall, formerly the Learning Resource Centre (Library) and Dining Hall, was completed in the year. The Osborn Hall is a Grade II listed building with beautiful wood panelling, parquet floors and stained-glass windows. As part of the restoration, the floors were extensively refurbished, and the steel mezzanine was removed. In its restored form, the Osborn Hall fulfils a variety of educational roles and functions, serving as a study room, workshopping space, examination hall and parent evening venue, among other uses.

For the start of the academic year in September, the school's Fitness Suite was heavily upgraded. By repurposing space from an adjoining room, the existing gym was expanded both in terms of its physical size and its store of equipment. Several rowing machines, free and machine weights, exercise/peloton bikes and other tools were acquired to support Rydal Penrhos pupils in their training. The Fitness Suite supports the physical and mental wellbeing of not only Rydal Penrhos pupils, but also the local people who utilise the school's facilities.

Rydal Penrhos significantly upgraded its technological infrastructure through the introduction of SchoolsBuddy, a mobile and web-based school-to-home management system for activities, bookings, billing and transport. The system has simplified the registration and payment processes involved when pupils and parents sign up for extracurricular clubs or non-curriculum trips.

### **Commerical Activities**

One of the purposes of the school's commercial activities is to fund Rydal Penrhos' Fully Funded Places scheme, which offers two free places in Year 7 and Year 12 to local children and young people from financially disadvantaged backgrounds.

Over the year, Rydal Penrhos has continued to strike partnerships with both local and national groups, allowing increased numbers of people to benefit from the school's facilities and equipment.

In an average week, between 2500 and 3000 local children, young people and adults make use of the school's outstanding facilities. This represents 30 separate organisations including local community groups, small businesses, and charities. Seeking to support the region's young people, the school opens its facilities free of charge for the local Young Carers group to host their fortnightly meetings.

In addition to local sports clubs, several professional sports sides utilised the school's upgraded Fitness Suite and other sports facilities for training. Super League Champions St Helens conducted their pre-season training camp at Rydal Penrhos, and the Rochdale Hornets and North Wales Crusaders also visited.

Rydal Penrhos has established itself as a leading option for weddings in the North Wales area. The school held a Wedding Fayre on Sunday 24 October 2021, which several suppliers joined. Additionally, Rydal Penrhos was confirmed as host for the North Wales Wedding Awards in the autumn of 2022.

### **Charity and Community Service**

The school continues to play an important part in its community, with over fifty different local and national groups making use of the school's facilities on a regular basis.

Pupils and staff have taken part in a number of fundraising activities for worthy causes during school hours and in their own time, including:

- More than 120 pupils and staff, both Prep and Senior, participated in a walkathon from Colwyn Bay to Llandudno. A total of £2,867 was raised, with all proceeds going towards the Blind Veterans UK Centre for Wellbeing situated in Llandudno.
- The Prep and Senior School Councils collaborated to organise a pupil-led donation event in support of those impacted by the Russo-Ukrainian War. A total of £829 was raised, which the school paid forward to the Disasters Emergency Committee Ukraine Humanitarian Appeal – with the donation then matched pound-for-pound by the UK Government. Additionally, many essential items - including clothing, toiletries and children's toys - were donated and transported to the Ukrainian border to support refugees.
- Rydal Penrhos pupils and alumni gathered to support alumnus Rob Lloyd in his marathon attempt, running alongside him for the first and final mile of the course, which started and ended at the school's historic New Field. The marathon was a part of his 'Senseless Challenge' in support of Sense, a national disability charity that supports people living with complex disabilities. Rob Lloyd's campaign raised over £50k in total.
- In keeping with the theme of the Prep drama production, 'Paws and Claws', a collection took place to gather food and equipment for animals in need or distress. This equipment was donated to the local RSPCA Centre situated in Bryn-y-Maen.
- In November 2021, over £1600 was raised as part of the school's Children in Need campaign, with the aim of improving the lives of less fortunate and disadvantaged children and young people around the UK.
- During the Advent period, a collection for the Conwy Home-Start appeal was launched, which is a community network of trained volunteers who provide expert support helping families with young children through challenging times. A significant number of toys and other items were donated and then distributed to families across the region in time for

## **RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **Environmental Initiatives**

Rydal Penrhos is fortunate to enjoy a wonderful location of natural beauty, such as the coastline and Snowdonia National Park. We appreciate the importance of reducing our environmental footprint and becoming more sustainable. We are proud that our pupils take a leading role in this effort:

- In collaboration with the school's catering partners, Holroyd Howe, pupils from the Prep and Senior Eco Committees planted wild pear and crab-apple trees outside the Memorial Hall as part of the Queen's Green Canopy initiative for the Platinum Jubilee.
- In the year, pupils took part in a range of competitions with the aim of increasing awareness of climate change and environmental issues. These included: a contest to build an animal habitat, such as a bug hotel or hedgehog house, for World Habitat Day; the WWF's Winter Mini Challenge book review competition; and a school Eco Committee contest to produce a sea creature sculpture out of items of litter.
- To mark World Oceans Day and highlight the issue of plastic waste, members of the Eco Committee from each year group wrote a persuasive letter to companies who use plastic packaging for sweets, to try and encourage them to use a more sustainable and eco-friendlier alternative.
- As part of a campaign called 'Promise to the Planet', organised by the World Organisation of the Scouts Movement, pupils wrote personal climate pledges, detailing what they would do to support the environment. The campaign was designed to coincide with the COP26 United Nations Climate Conference in Glasgow.
- Year 6 spent a morning in the Forest School producing bird feeders and identifying avian species as part of the RSPB's annual Big Garden Birdwatch initiative, which surveys biodiversity in the national bird population.

#### **Other Relationships**

As an Associate member of the Methodist Independent Schools group, the school benefits significantly from the collective ethos and educational initiatives of that group. The Heads of school are also members of the Society of Heads and of WISC.

#### **Financial review and future plans**

The transition from a Boarding/Day School to a fully Day School was completed in the 2021 year, boarding having ceased at the end of Trinity (Summer) Term 2021. The anticipated reduction in income of circa £500k was funded by a reduction in planned expenditure of around £700k. However, the impact of Covid-19 was again significant and had an estimated negative impact of circa £550k. This was partly due to an additional reduction in boarding fee income of approximately £350k and a reduction in lettings income of around £200k.

The planned property sales during the year of £1.7m enabled the school to continue the Project Bold plan in staffing and curriculum, though the Covid-19 regulations delayed the planned developments in extra-curricular provision.

The structural changes in relation to the campus have been delayed significantly due to the national issues in the planning and authorisation of building projects caused by Covid-19 restrictions in Wales. However, although delayed, the school is working effectively with partners in both the public and private sectors to progress the developmental plans.

Day pupil numbers rose during the period and the school has continued to see a 15% increase in pupil numbers during 2021-22 and reasonably anticipates a further increase of between 5% and 10% during 2022-23. This has enabled the Board to set a fee increase of 4.8% against a background inflation rate of approaching 10%.

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### TRUSTEES' REPORT

#### FOR THE YEAR ENDED 31 AUGUST 2022

#### Investment powers and policy

The investment powers are governed by the Memorandum & Articles of Association that permits the funds of the School and its subsidiary charities to be invested in any investment or security as the charity may think fit. Investments are held under the management of the TMCP and Investec, which provides investment advice.

#### Reserves

Total reserves of the group at 31 August 2022 were £22.618m (2021: £24.168m), with unrestricted funds of £22.208m (2021: £23.758m) which includes designated funds of £0.123m (2021: £0.561m). At 31 August 2022 the group had restricted funds of £0.409m (2021: £0.409m) and a permanent endowment of £5 (2021: £5). Further details of the restricted and designated funds are given in note 17.

The Trustees regard 'free' reserves as being the reserves of the School after deducting fixed assets not covered by specific bank financing and investments held to generate income for the various Trust funds. On the basis described there is a deficit of free reserves of £2.112m (2021: £1.698m). Similar to many other independent schools, the School has invested heavily in fixed assets which have resulted in this deficit.

The need for day-to-day working capital is met by careful management of short-term liquid resources.

The policy is to reduce the level of free reserves deficit from annual operating surpluses, subject to the prior demands of further capital expenditure to equip the School with the up-to-date facilities needed to maintain the standard of educational services currently provided.

#### Risk management and principal risks and uncertainties

The Governing Body is responsible for the management of the risks faced by the School, and a formal review of the risk management processes is undertaken regularly.

The main risks that the Trustees have identified and the plans to manage those risks are:

- **Reputation** – the School's success is built on its reputation for the education and wellbeing of our pupils.

This risk is managed through safeguarding policies, providing a broad and attractive curriculum, staff recruitment policies, pastoral support for both pupils and staff and management of health and safety matters.

- **Financial viability** – our ability to operate is reliant on the prompt receipt of fee income based on stable pupil numbers and effective management of costs.

This risk is managed by marketing activity to maintain and expand pupil numbers, maximising pupil retention, maintaining a reputation for academic excellence and active cash flow management.

The Trustees are satisfied that the major risks identified have been adequately mitigated as far as possible.

It is the Board's policy that key controls should include:

- Formal agendas for all Board and Committee meetings
- Detailed terms of reference for all Committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of children

# RYDAL PENRHOS LIMITED AND SUBSIDIARIES

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

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### Statement of Trustees' Responsibilities

The Trustees (who are also directors of Rydal Penrhos Limited for the purposes of company law) are responsible for preparing the Trustees' Report (including the group director's and strategic report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 (FRS 102);
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

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

### Disclosure of information to auditors

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

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

### Auditors

In accordance with the company's articles a resolution proposing that Xeinadin Audit Limited be reappointed as auditor to the group and parent charitable company will be put at a General Meeting.

This report, incorporating the group strategic report, was approved by the Trustees, in their capacity as company directors, on 23<sup>rd</sup> May 2023 and signed on their behalf by:



.....  
**Deborah McKinnel**  
Chair

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF RYDAL PENRHOS LIMITED**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Opinion**

We have audited the financial statements of Rydal Penrhos Limited (the 'charitable parent company') and its subsidiaries ('the group') for for the year ended 31 August 2022 which comprise comprise the group statement of financial activities, the group balance sheet, the charitable company balance sheet, the group statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and of the parent charitable company's affairs as at 31 August 2022 and of the group's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The other information comprises the information included in the annual report set, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF RYDAL PENRHOS LIMITED (continued)

### FOR THE YEAR ENDED 31 AUGUST 2022

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

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

- the information given in the Trustees' Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included in the Trustees' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

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

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

#### **Responsibilities of Trustees**

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

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

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

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

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

Enquiries of management and those charged with governance were held in order to identify any laws and regulations that could be expected to have a material impact on the financial statements. Throughout the audit, the team were updated with the outcomes of these enquiries including consideration as to where and how fraud may occur in the Trust.

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RYDAL PENRHOS LIMITED (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

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The audit procedures undertaken to address any potential risk in relation to irregularities (which include fraud and non-compliance with laws and regulations) included: enquiries of management and those charged with governance on how the charity complies with relevant laws, regulations and any cases of actual or potential litigations or claims; examination of appropriate legal correspondence; review of board minutes; testing of journal entries for appropriateness; and analytical procedures on account balances to identify variances against expectation which may show indications of fraud.

No instances of material non-compliance were identified, although the prospect of detecting irregularities, including fraud, is inherently difficult. This is due to; difficulty in detecting irregularities; limits imposed by the effectiveness of the entity's controls; and the nature, timing and extent of the audit procedures performed. Irregularities as a result of fraud are inherently more difficult to detect than those that resulting from error. Despite this the audit has been planned and performed in accordance with ISAs (UK), there is an unavoidable risk that material misstatements may not be detected.

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

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Alastair Jeffcott BA FCA (Senior Statutory Auditor)**  
For and on behalf of Xeinadin Audit Limited

23<sup>rd</sup> May 2023

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

2 Hilliards Court  
Chester Business Park  
Chester  
Cheshire  
CH4 9PX

### Notes:

1. The maintenance and integrity of Rydal Penrhos Limited's website is the responsibility of the Trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

RYDAL PENRHOS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Permanent endowment £	2022 Total £	2021 Total £
<b>INCOME FROM:</b>						
<b>Charitable activities:</b>						
School fees	2	4,402,467	-	-	4,402,467	4,008,894
<b>Trading and other activities:</b>						
Lettings income	3	227,323	-	-	227,323	111,467
Other income	3	203,885	-	-	203,885	1,977,213
<b>Investments</b>						
Investment income	4	1,144	-	-	1,144	14,777
<b>Total income</b>		<u>4,835,819</u>	<u>-</u>	<u>-</u>	<u>4,835,819</u>	<u>6,112,351</u>
<b>EXPENDITURE ON:</b>						
<b>Raising funds:</b>						
Finance costs		12,257	-	-	12,257	20,604
<b>Charitable activities:</b>						
Teaching costs		3,454,352	-	-	3,454,352	3,351,667
Welfare costs		730,840	-	-	730,840	658,789
Premises costs		1,153,247	-	-	1,153,247	1,386,758
Support and governance costs		1,028,124	-	-	1,028,124	1,125,262
<b>Total expenditure</b>	7	<u>6,378,820</u>	<u>-</u>	<u>-</u>	<u>6,378,820</u>	<u>6,543,080</u>
<b>Net (expenditure) before investment gains</b>		(1,544,001)	-	-	(1,544,001)	(430,729)
Revaluation of tangible fixed assets	8	-	-	-	-	22,782,063
Net gains/(losses) on investments	9	(6,005)	-	-	(6,005)	23,148
<b>Net movement in funds</b>		<u>(1,550,006)</u>	<u>-</u>	<u>-</u>	<u>(1,550,006)</u>	<u>22,374,482</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward		23,758,503	409,468	5	24,167,976	1,793,494
<b>Total funds carried forward</b>		<u><u>22,208,497</u></u>	<u><u>409,468</u></u>	<u><u>5</u></u>	<u><u>22,617,970</u></u>	<u><u>24,167,976</u></u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure is derived from continuing activities.

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

The notes on pages 21 to 37 form part of these financial statements.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**Company Number: 3294434**

**BALANCE SHEETS**

**AS AT 31 AUGUST 2022**

	Notes	Consolidated		Company	
		2022 £	2021 £	2022 £	2021 £
<b>Fixed assets</b>					
Tangible assets	8	24,320,817	25,457,043	24,320,817	25,455,043
Investments	9	191,791	197,795	4,914	6,502
Investment in subsidiary	9	-	-	2	2
		<u>24,512,608</u>	<u>25,654,838</u>	<u>23,325,733</u>	<u>25,461,547</u>
<b>Current assets</b>					
Stocks	10	-	49,000	-	49,000
Debtors	11	187,352	88,161	187,352	87,657
Cash at bank and in hand		316,643	361,732	316,643	343,931
		<u>503,995</u>	<u>498,893</u>	<u>503,995</u>	<u>480,588</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(2,151,370)</u>	<u>(1,708,296)</u>	<u>(2,412,214)</u>	<u>(2,059,784)</u>
<b>Net current liabilities</b>		<u>(1,647,375)</u>	<u>(1,209,403)</u>	<u>(1,908,218)</u>	<u>(1,579,196)</u>
<b>Total assets less current liabilities</b>		22,865,233	24,445,435	22,417,515	23,882,351
<b>Creditors: amounts falling due after more than one year</b>	13	<u>(247,263)</u>	<u>(277,459)</u>	<u>(247,263)</u>	<u>(277,459)</u>
<b>Total net assets</b>		<u><u>22,617,970</u></u>	<u><u>24,167,976</u></u>	<u><u>22,170,252</u></u>	<u><u>23,604,892</u></u>
<b>Capital</b>					
Permanent endowment	17	5	5	-	-
<b>Income</b>					
Restricted funds	17	409,468	409,468	7,522	7,522
Unrestricted funds:					
General reserve	17	744,598	765,317	822,005	725,819
Designated funds	17	123,174	560,668	-	439,033
Revaluation reserve	17	21,340,725	22,432,518	21,340,725	22,432,518
<b>Total funds</b>		<u><u>22,617,970</u></u>	<u><u>24,167,976</u></u>	<u><u>22,170,252</u></u>	<u><u>23,604,892</u></u>

As permitted by s408 Companies Act 2006, the charitable company has not presented its own statement of financial activities and related notes. The charitable company's deficit for the year was £1,434,640 (2021: £65,899).

These financial statements were approved by the Trustees and authorised for issue on 23<sup>rd</sup> May 2023 and are signed on their behalf by:



**Deborah McKinnel**  
**Chair**

The notes on pages 21 to 37 form part of these financial statements.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**CONSOLIDATED CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 AUGUST 2022**

	<b>2022</b>		<b>2021</b>	
	£	£	£	£
<b>Reconciliation of net expenditure to net cash flow from operating activities:</b>				
Net income/(expenditure) before investment gains/(losses)	(1,550,006)		(430,729)	
Depreciation charges	231,474		580,501	
Interest paid	12,257		20,604	
Investment income	(1,144)		(14,777)	
Gain on investment	6,004			
(Increase)/decrease in debtors	(99,191)		31,448	
Increase/(decrease) in creditors	457,431		(389,131)	
(Increase)/decrease in stock	49,000		16,109	
Profit on sale of property	(203,885)		(1,164,923)	
<b>Net cash provided from operations</b>		<b>(1,098,060)</b>		<b>(1,354,372)</b>
<b>Net cash flow from investing activities:</b>				
Investment income	1,144		14,777	
Purchase of tangible fixed assets	(33,875)		(52,408)	
Proceeds from sale of investments	-		-	
Net proceeds from sale of tangible assets	1,142,510		1,322,866	
<b>Cash provided from/(used in) investing activities</b>		<b>1,109,779</b>		<b>1,285,235</b>
<b>Cash flows from financing activities:</b>				
Bank loan repayments	(44,551)		(20,604)	
Interest paid	(12,257)		(14,692)	
<b>Net cash (used in) financing</b>		<b>(56,808)</b>		<b>(35,296)</b>
<b>Increase in cash and cash equivalents</b>		<b>(45,089)</b>		<b>(104,433)</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>361,732</b>		<b>466,165</b>
Cash and cash equivalents at the end of the period		<b>316,643</b>		<b>361,732</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		<b>2022</b>		<b>2021</b>
		£		£
Cash in hand and at bank		316,643		361,732
Bank overdraft		-		-
		<b>316,643</b>		<b>361,732</b>

# RYDAL PENRHOS LIMITED AND SUBSIDIARIES

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1. ACCOUNTING POLICIES

##### **Charity information**

Rydal Penrhos is a charitable company limited by guarantee incorporated in England and Wales and registered with the Charity Commission. Rydal Penrhos Limited was incorporated on 19 December 1996 (company number: 3294434) and registered as a charity on 17 July 1997 (charity number: 1063489). The registered office is Old House, Pwllcrochan Avenue, Colwyn Bay, Wales, LL29 7BT.

The group consists of Rydal Penrhos Limited and all of its subsidiaries.

The Charitable Company's financial statements have been prepared in compliance with the Charities SORP (FRS 102) effective 1 January 2019.

##### **Legal Status**

The members of the company are the Trustees. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

##### **Accounting convention**

The financial statements have been prepared in accordance with the charity'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 (FRS 102) (as amended for accounting periods commencing 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102. The financial statements are prepared in sterling, which is the functional currency of the charity. 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 land and buildings and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The charitable company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The School has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

##### **Basis of consolidation**

The consolidated financial statements incorporate those of Rydal Penrhos Limited and all of its subsidiaries (i.e entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefit) on a line by line basis.

All financial statements are made up to 31 August 2022.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### NOTES TO THE ACCOUNTS (continued)

#### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1. ACCOUNTING POLICIES (continued)

##### **Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the group 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.

##### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

The judgement that the catering equipment provided to the School through a contract with the catering provider effectively a loan and contingent liability (as set out in note 22) rather than a finance lease is considered a significant judgement.

In the view of the Trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

##### **School fees and similar income**

Fees receivable and charges for services and use of premises are accounted for in the period to which they relate, after deducting allowances, scholarships and other remissions granted by the School, but including contributions received from restricted funds.

Fees received for education to be provided in future years are carried forward as deferred income.

##### **Investment income**

Income from investments is accounted for on a receivable basis and includes all relevant tax credits.

##### **Donations, legacies, grants and other voluntary income**

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted income to general funds. Where the donor or an appeal has imposed trust law restrictions, income is credited to the relevant restricted fund.

##### **Government grants**

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

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

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### NOTES TO THE ACCOUNTS (continued)

#### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1. ACCOUNTING POLICIES (continued)

##### **Expenditure**

Expenditure is accrued as soon as a liability from a past event is considered probable. Irrecoverable VAT is included with the item of expense to which it relates. Costs of charitable activities include expenditure associated with the running of the School and include both direct and support costs.

##### **Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, personnel, payroll and governance. Governance costs comprise the costs of complying with constitutional and statutory requirements including strategic planning for its future development, external audit, any legal advice for the School's Trustees, the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

##### **Fixed assets**

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

Expenditure on plant and equipment costing more than £1,000 is capitalised and written off in the Statement of Financial Activities at 20% straight line per annum. Expenditure on solar panels has also been included within plant and equipment but is being written off at 5% straight line per annum. Expenditure on motor vehicles costing more than £1,000 is capitalised in the accounts and is being written off in the Statement of Financial Activities at 25% straight line per annum. All other expenditure is written off in the year in which it is incurred.

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 for the year.

##### **Fixed asset investments**

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

Investments in subsidiaries are valued at cost less provision for impairment.

##### **Stock**

Stock represents goods for resale and is valued at the lower of cost and net realisable value.

##### **Debtors**

Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount it has paid in advance.

##### **Cash and cash equivalents**

Cash and cash equivalents include cash and deposits with a short term maturity of three months or less from the date of opening the deposit account.

## **RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

### **NOTES TO THE ACCOUNTS (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **Creditors and provisions**

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably, amounts are recognised at their settlement amount.

#### **Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the school and which have not been designated for other purposes.

Designated funds are unrestricted funds of the school that have been set aside by the Trustees for specific purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Endowment funds are retained on trust for the benefit of the school as a capital fund.

#### **Operating leases**

Rents payable under operating leases are charged in the Statement of Financial Activities on a straight-line basis over the period of the lease.

#### **Pension costs**

For eligible employees, the School contributes to the Teachers' Pension Scheme (TPS), a superannuation scheme which provides benefits based on final pensionable pay. The TPS is a multi-employer scheme and the School is unable to identify its share of the underlying assets and liabilities of the scheme. In accordance with FRS 102, the TPS is therefore treated as a defined contribution scheme and the contributions are recognised in the Statement of Financial Activities as they are paid each year.

Support staff may join the Aviva defined contribution group personal pension plan to which employees currently contribute 5% of their total pensionable salaries whilst the School makes a contribution of 3.2%. The contributions are recognised in the Statement of Financial Activities when incurred.

#### **Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

<b>2. SCHOOL FEES</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Gross fees and charges	5,014,176	4,576,712
Less: Bursaries, allowances and scholarships	(611,709)	(567,818)
<b>Group Total</b>	<u>4,402,467</u>	<u>4,008,894</u>
<b>3. TRADING AND OTHER INCOME</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Rents and lettings	227,323	111,467
Proceeds from the sale of property	203,885	1,693,864
Coronavirus job retention scheme	-	148,296
Other income	-	135,052
	<u>431,208</u>	<u>2,088,679</u>
<b>4. INVESTMENT INCOME</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Income from investments	1,144	14,777
	<u>1,144</u>	<u>14,777</u>
<b>5. NET MOVEMENT IN FUNDS</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Auditor's remuneration (including value added tax)	20,400	18,980
Depreciation	231,475	580,501
	<u>251,875</u>	<u>600,481</u>
<b>6. STAFF COSTS</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	3,449,118	3,078,169
Social security costs	298,631	271,260
Pension contributions	432,563	623,625
Termination payments	102,760	309,581
	<u>4,283,072</u>	<u>4,282,635</u>
Aggregate employee benefits of key management personnel	<u>561,974</u>	<u>630,163</u>

Key management personnel are considered to be the senior leadership team as set out on the company information page.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

<b>6. STAFF COSTS (continued)</b>		<b>2022</b>	<b>2021</b>		
		<b>Number</b>	<b>Number</b>		
The average number of employees during the year was made up as follows:					
Teaching		47	46		
Non-teaching		96	89		
		<u>143</u>	<u>135</u>		
The number of employees whose emoluments exceeded £60,000 per annum were:					
£60,001 - £70,000		2	1		
£90,001 - £100,000		-	1		
£100,001 - £110,000		1	-		
		<u>3</u>	<u>2</u>		
<b>7. ANALYSIS OF EXPENDITURE</b>		<b>2022</b>	<b>2021</b>		
	<b>Staff costs</b>	<b>Other</b>	<b>Depreciation</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>Total</b>	<b>Total</b>
				<b>£</b>	<b>£</b>
<b>Costs of raising funds</b>					
Bank interest and fees	-	12,257	-	12,257	20,604
<b>Costs of charitable activities</b>					
Teaching costs	3,171,107	283,245	-	3,454,352	3,351,667
Welfare costs	115,368	615,472	-	730,840	658,789
Premises costs	439,849	481,925	231,473	1,153,247	1,386,758
Support and governance costs	556,748	471,376	-	1,028,124	1,125,262
	<u>4,283,072</u>	<u>1,864,275</u>	<u>231,473</u>	<u>6,378,820</u>	<u>6,543,080</u>
<b>Comparative period</b>					
	<b>Staff costs</b>	<b>Other</b>	<b>Depreciation</b>	<b>2021</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>Total</b>	
				<b>£</b>	
<b>Costs of raising funds</b>					
Bank interest and fees	-	20,604	-	20,604	
<b>Costs of charitable activities</b>					
Teaching costs	3,115,018	236,649	-	3,351,667	
Welfare costs	147,696	511,093	-	658,789	
Premises costs	224,393	581,864	580,501	1,386,758	
Support and governance costs	795,528	329,734	-	1,125,262	
	<u>4,282,635</u>	<u>1,679,944</u>	<u>580,501</u>	<u>6,543,080</u>	
				<b>2022</b>	<b>2021</b>
				<b>Total</b>	<b>Total</b>
				<b>£</b>	<b>£</b>
<b>Governance included in support costs</b>					
Trustees' expenses				-	849
Audit and accountancy fees				20,400	18,980
				<u>20,400</u>	<u>19,829</u>

RYDAL PENRHOS LIMITED AND SUBSIDIARIES

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

8. TANGIBLE FIXED ASSETS

Group	Land and Buildings £	Property Improvements £	Fixtures and Equipment £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 September 2021	25,445,000	233,194	1,153,537	108,410	26,940,141
Additions	-	7,613	26,262	-	33,875
Disposals	(962,000)	-	-	-	(962,000)
Revaluation	-	-	-	-	-
At 31 August 2022	24,483,000	240,807	1,179,799	108,410	26,012,016
<b>Depreciation</b>					
At 1 September 2021	424,049	46,473	940,342	72,234	1,483,098
Charge for year	127,215	13,479	76,619	14,162	231,475
Disposals	(23,375)	-	-	-	(23,375)
At 31 August 2022	527,889	59,952	1,016,961	86,395	1,691,198
<b>Net book value</b>					
At 31 August 2022	23,955,111	180,855	162,838	22,014	24,320,817
At 31 August 2021	25,020,951	186,721	213,195	36,176	25,457,043
<b>Company</b>					
<b>Cost</b>					
At 1 September 2021	25,443,000	233,194	1,153,537	108,410	26,938,141
Additions	-	7,613	26,262	-	33,875
Disposals	(960,000)	-	-	-	(960,000)
At 31 August 2022	24,483,000	240,807	1,179,799	108,410	26,012,017
<b>Depreciation</b>					
At 1 September 2021	424,049	46,473	940,342	72,234	1,483,098
Charge for year	127,215	13,479	76,619	14,162	231,475
Disposals	(23,375)	-	-	-	(23,375)
At 31 August 2022	527,889	59,952	1,016,961	86,395	1,691,198
<b>Net book value</b>					
At 31 August 2022	23,955,111	180,855	162,838	22,014	24,320,817
At 31 August 2021	25,018,951	186,721	213,195	36,176	25,455,043

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

**8. TANGIBLE FIXED ASSETS (continued)**

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Plant and equipment	38,057	63,428
Motor vehicles	14,774	35,632
	<u>          </u>	<u>          </u>

At 31 December 2020 the land and buildings were revalued by Stannybrook Property Consultants, Chartered Surveyors at £27,268,000 as at 31 December 2020 therefore the resulting revaluation totalled £24,440,403. Stannybrook Property Consultants are independent valuers, not connected with the School. The valuation was conducted on an open market value basis of vacant possession and available voidspace. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The historic cost of the assets at 31 August 2022 is £4,993,309 (2021: £4,993,309). If the revaluation policy had not been applied, the carrying value of these assets would have been £2,611,810 (2021: £2,625,158). The depreciation on the revalued amount for the period was £113,867 (2021: £349,545).

<b>9. INVESTMENTS</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Group – listed investments</b>			
At 1 September 2021	184,372	13,424	197,796
Revaluation gains	(6,005)	-	(6,005)
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2022	<u>178,367</u>	<u>13,424</u>	<u>191,791</u>

The historic cost of the group listed investments held is £161,468 (2021: £161,468).

**Subsidiary undertakings**

The following subsidiaries have been consolidated in these accounts:

**Charities and funds**

Gillian Campbell Trust (1085795)	Charity number: 1085795
Rydal Penrhos (525752)	Charity number: 525752
Rosa Hovey Scholarship Trust	Charity number: N/A Trust

**Trading company**

Rydal Penrhos (Sport & Leisure) Limited	Company number: 03590034
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The registered office for each of the above subsidiaries is: Old House, Pwllcrochan Avenue, Colwyn Bay, Wales, LL29 7BT

<b>Company</b>	<b>Subsidiary undertaking</b>
	<b>£</b>
At 31 August 2022 and 31 August 2021	2
	<u>          </u>

The whole of the issued ordinary share capital of Rydal Penrhos (Sports & Leisure) Limited, a company registered in England and Wales, is held by nominee's on behalf of the School.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

**9. INVESTMENTS (continued)**

A summary of the balance sheet and profit and loss account from the audited financial statements is set out below:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Profit and loss account</b>		
Turnover	-	-
Expenditure	-	-
	<u>          </u>	<u>          </u>
Net profit/loss before tax and any donation under Gift Aid	-	-
	<u>          </u>	<u>          </u>
<b>Balance sheet</b>		
Fixed assets	-	-
Current assets	225	225
	<u>          </u>	<u>          </u>
	225	225
Current liabilities	-	-
Net Assets	225	225
	<u>          </u>	<u>          </u>
Share capital	2	2
Profit and loss account	223	223
	<u>          </u>	<u>          </u>
	225	225
	<u>          </u>	<u>          </u>

**Company – listed investments:**

	<b>£</b>
<b>Market value</b>	
At 1 September 2021	6,502
Revaluation gains/(loss)	(1,588)
	<u>          </u>
At 31 August 2022	4,914
	<u>          </u>

The historic cost of the investments at 31 August 2022 was £4,129 (2021: £4,129).

**10. STOCKS**

	<b>2022</b>	<b>Group</b>	<b>2022</b>	<b>Company</b>
	<b>£</b>	<b>2021</b>	<b>£</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Clothing stock	-	49,000	-	49,000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	-	49,000	-	49,000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

<b>11. DEBTORS</b>	<b>2022</b>	<b>Group</b>	<b>2022</b>	<b>Company</b>
	<b>£</b>	<b>2021</b>	<b>£</b>	<b>2021</b>
		<b>£</b>		<b>£</b>
Fees receivable	80,157	6,439	80,157	6,439
Prepayments and accrued income	105,144	79,698	105,144	79,698
Amounts owed from group undertakings	-	-	-	-
Other debtors	2,051	2,024	2,051	1,520
	<u>187,352</u>	<u>88,161</u>	<u>187,352</u>	<u>87,657</u>
	<u><u>187,352</u></u>	<u><u>88,161</u></u>	<u><u>187,352</u></u>	<u><u>87,657</u></u>
<b>12. CREDITORS: due within one year</b>	<b>2022</b>	<b>Group</b>	<b>2022</b>	<b>Company</b>
	<b>£</b>	<b>2021</b>	<b>£</b>	<b>2021</b>
		<b>£</b>		<b>£</b>
Bank loans (note 14)	46,080	46,080	46,080	46,080
Bank overdraft	-	-	-	-
Trade creditors	263,329	359,500	263,329	359,450
Fees in advance	611,921	303,372	611,921	303,372
Other taxes and social security costs	420,525	218,175	420,750	218,400
Accruals and deferred income	172,959	45,790	172,959	45,790
Amounts owed to group undertakings	-	-	260,618	351,313
Other creditors	618,714	717,823	618,714	717,823
Finance lease	17,841	17,556	17,841	17,556
	<u>2,151,369</u>	<u>1,708,296</u>	<u>2,412,213</u>	<u>2,059,784</u>
	<u><u>2,151,369</u></u>	<u><u>1,708,296</u></u>	<u><u>2,412,213</u></u>	<u><u>2,059,784</u></u>
<b>13. CREDITORS: due after more than one year</b>	<b>2022</b>	<b>Group</b>	<b>2022</b>	<b>Company</b>
	<b>£</b>	<b>2021</b>	<b>£</b>	<b>2021</b>
		<b>£</b>		<b>£</b>
Bank loans (note 14)	58,572	103,123	58,572	103,123
Other creditors	158,810	126,032	158,810	126,032
Finance lease	29,881	48,304	29,881	48,304
	<u>247,263</u>	<u>277,459</u>	<u>247,263</u>	<u>277,459</u>
	<u><u>247,263</u></u>	<u><u>277,459</u></u>	<u><u>247,263</u></u>	<u><u>277,459</u></u>
<b>14. MATURITY OF DEBT</b>	<b>2022</b>	<b>Group</b>	<b>2022</b>	<b>Company</b>
	<b>£</b>	<b>2021</b>	<b>£</b>	<b>2021</b>
		<b>£</b>		<b>£</b>
Within one year	46,080	46,080	46,080	46,080
Two to five years	58,572	103,123	58,572	103,123
Over five years	-	-	-	-
	<u>104,652</u>	<u>149,203</u>	<u>104,652</u>	<u>149,203</u>
	<u><u>104,652</u></u>	<u><u>149,203</u></u>	<u><u>104,652</u></u>	<u><u>149,203</u></u>

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

#### 15. FINANCIAL INSTRUMENTS

Group	2022 £	2021 £
Financial assets measured at amortised cost	82,209	8,463
Financial assets measured at fair value	191,791	197,795
Financial liabilities measured at amortised cost	(2,225,673)	(1,939,966)
Net financial assets measured at amortised cost	(1,951,673)	(1,733,708)

Financial assets measured at amortised cost comprise fee debtors and other debtors.

Financial assets measured at fair value comprise listed investments and investment property.

Financial liabilities measured at amortised cost include bank loans and overdrafts, trade creditors, other taxes and social security costs and other creditors.

#### 16. PENSION COMMITMENTS

##### Defined Benefit scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £546,388 (2021: £534,177) and at the year-end £594,405 (2021: 533,523) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Contributions from members and the employer are credited to the Exchequer and retirement and other pension benefits are paid by public funds provided by Parliament.

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

##### Other pensions

The employer's contributions paid into the group personal pension plan operated for support staff amounted to £95,737 (2021: £89,448).

The amount outstanding for pension contributions at the year end were £10,391 (2021: £16,378).

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

The net assets are held for the various funds as follows:

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Permanent endowment</b>	<b>2022 Total</b>
	£	£	£	£
<b>Group</b>				
Tangible fixed assets	24,320,817	-	-	24,320,817
Investments	178,367	13,424	-	191,791
Net current assets/(liabilities)	(2,043,424)	396,044	5	(1,647,375)
Creditors due after more than one year	(247,263)	-	-	(247,263)
	<u>22,208,497</u>	<u>409,468</u>	<u>5</u>	<u>22,617,970</u>
<b>Company</b>				
Tangible fixed assets	24,320,817	-	-	24,320,817
Investments	4,916	-	-	4,916
Net current assets/ (liabilities)	(1,915,740)	7,522	-	(1,915,740)
Creditors due after more than one year	(247,263)	-	-	(247,263)
	<u>22,162,730</u>	<u>7,522</u>	<u>-</u>	<u>22,170,252</u>

<b>Comparative period</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Permanent endowment</b>	<b>2021 Total</b>
	£	£	£	£
<b>Group</b>				
Tangible fixed assets	25,457,043	-	-	25,457,043
Investments	184,371	13,424	-	197,795
Net current assets/(liabilities)	(1,605,452)	396,044	5	(1,209,403)
Creditors due after more than one year	(277,459)	-	-	(277,459)
	<u>23,758,503</u>	<u>409,468</u>	<u>5</u>	<u>24,167,976</u>
<b>Company</b>				
Tangible fixed assets	25,455,043	-	-	25,455,043
Investments	6,504	-	-	6,504
Net current assets/ (liabilities)	(1,586,718)	7,522	-	(1,579,196)
Creditors due after more than one year	(277,459)	-	-	(277,459)
	<u>23,597,370</u>	<u>7,522</u>	<u>-</u>	<u>23,604,892</u>

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

**17a. ENDOWED FUNDS**

	At 1 September 2021 £	Income £	Expenditure £	Gains/(losses) £	Transfer £	At 31 August 2022 £
<b>Group</b>						
Permanent capital endowment	£5	-	-	-	-	£5
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

	At 1 September 2020 £	Income £	Expenditure £	Gains/(losses) £	Transfer £	At 31 August 2021 £
<b>Group</b>						
Permanent capital endowment	£5	-	-	-	-	£5
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

This permanent capital endowment lies within Rydal Penrhos (charity 525752) held for the general purposes of Rydal Penrhos and must be retained within the group.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

**17b. RESTRICTED FUNDS**

	At 1 September 2021	Income	Expenditure	Gains/ (losses)	At 31 August 2022
Group	£	£	£	£	£
Comenius Multilateral School Partnership Grant (Company)	7,522	-	-	-	7,522
Rosa Hovey Scholarship Fund	19,842	-	-	-	19,842
Gillian Campbell	382,104	-	-	-	382,104
	<u>409,468</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>409,468</u>
	<u><u>409,468</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>409,468</u></u>
Comparative period	At 1 September 2020	Income	Expenditure	Gains/ (losses)	At 31 August 2021
Group	£	£	£	£	£
Comenius Multilateral School Partnership Grant (Company)	7,522	-	-	-	7,522
Rosa Hovey Scholarship Fund	17,217	315	-	2,310	19,842
Gillian Campbell	382,104	-	-	-	382,104
	<u>406,843</u>	<u>315</u>	<u>-</u>	<u>2,310</u>	<u>409,468</u>
	<u><u>406,843</u></u>	<u><u>315</u></u>	<u><u>-</u></u>	<u><u>2,310</u></u>	<u><u>409,468</u></u>

The Comenius Multilateral School Partnership Grant was given to the School by the EU to carry out 12 visits to partner schools.

The Rosa Hovey Scholarship Trust is used to pay grants to pupils who are leaving the School and wish to continue their education at universities and higher education colleges.

The Gillian Campbell Trust is used to provide assistance with fees and support costs for girls who would otherwise be unable to be or remain students at Rydal Penrhos. Support may also be provided to girls who, on leaving the School, wish to continue studying in a manner approved of by the Trusts's Trustees, but who would, in the opinion of the Trustees, be unable to do so without the help of The Gillian Campbell Trust.

RYDAL PENRHOS LIMITED AND SUBSIDIARIES

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

17c. UNRESTRICTED FUNDS

	At 1 September 2021	Income	Expenditure	Gains/ (losses)	Transfers	At 31 August 2022
Group	£	£	£	£	£	£
<b>General reserve</b>	765,317	4,826,984	(6,376,940)	(1,589)	1,530,826	744,598
<b>Revaluation reserve</b>	22,432,518	-	-	-	(1,091,793)	21,340,725
<b>Designated funds</b>						
Scholarship and Development	439,033	-	-	-	(439,033)	-
Donald Hughes and Percy Heywood Fund	121,635	7,835	(1,880)	(4,416)	-	123,174
Total designated funds	560,668	7,835	(1,880)	(4,416)	(439,033)	123,174
Total unrestricted funds	23,758,503	4,834,819	(6,378,820)	(6,005)	-	22,208,497
	At 1 September 2020	Income	Expenditure	Gains/ (losses)	Transfers	At 31 August 2021
Group	£	£	£	£	£	£
<b>General reserve</b>	761,998	6,097,811	(6,444,216)	179	349,545	765,317
<b>Revaluation reserve</b>	-	-	-	22,782,063	(349,545)	22,432,518
<b>Designated funds</b>						
Scholarship and Development	506,866	13,593	(81,066)	(360)	-	439,033
Donald Hughes and Percy Heywood Fund	117,782	632	(17,798)	21,019	-	121,635
Total designated funds	624,648	14,225	(98,864)	20,659	-	560,668
Total unrestricted funds	1,386,646	6,112,036	(6,543,080)	22,802,901	-	23,758,503

The revaluation reserve arose in 2021 from the uplift and subsequent depreciation of land and buildings during the period. Further details on this revaluation are included in note 8.

The Scholarship and Development Fund is used for grants towards the payment of fees.

Donald Hughes and Percy Heywood Fund is to provide for the needs of students at the School in the provision of grants towards fees and in the provision of sporting and other facilities by the School as considered appropriate by the Trustees.

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### NOTES TO THE ACCOUNTS (continued)

#### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 18. BANKING FACILITIES

##### Bank loans

On 26 August 2007, the School entered into an agreement to borrow up to £600,000 in the form of a loan to finance the construction of a sixth form recreation area within the existing dining hall, and the refurbishment of the Preparatory School. At the balance sheet date the amount owing was £104,652 (2021: £149,203). These facilities are secured by legal mortgages over the land and buildings in which legal ownership vests in the Trustees of the Methodist Secondary Education Trust Deed of 1903 as custodian Trustees at the direction of Rydal Penrhos Limited, as beneficial owners (who are the managing Trustees). A letter of comfort has also been jointly given by the company and the Trustees of the Methodist Secondary Education Trust.

On 24 March 2001, the company together with Rydal Penrhos (Sports & Leisure) Limited entered into an unlimited multilateral guarantee, with the company's bankers.

#### 19. FINANCIAL COMMITMENTS

At 31st August 2022 there were no capital commitments (2021: £nil).

#### 20. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2022 the company had total commitments under non-cancellable operating leases as set out below:-

	Assets other than land & buildings	
	2022	2021
	£	£
<b>Operating leases which expire:</b>		
Within 1 year	109,919	109,919
Within 2 – 5 years	75,637	185,556
	<u>185,556</u>	<u>295,475</u>

#### 21. RELATED PARTY TRANSACTIONS

Transactions and balances between the School and the various subsidiaries are eliminated on consolidation.

Trustees are volunteers and are not remunerated, however, Trustees' expenses totalling £Nil (2021: £849) for travel and accommodation have been reimbursed.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

**22. CONTINGENT LIABILITY**

The School's catering provider invested £500,000 in equipment in 2019 for use over the contract period. The agreement contains a clause requiring the School to repay the unamortised amount of this investment if the agreement is terminated over the contract period. At the year end the contingent obligation would have been £275,000 plus VAT.

**23. COMPARATIVE CONSOLIDATED SOFA**

	Unrestricted Funds £	Restricted Funds £	Permanent endowment £	2021 Total £
<b>INCOME FROM:</b>				
<b>Charitable activities:</b>				
School fees	4,008,894	-	-	4,008,894
<b>Trading and other activities:</b>				
Lettings income	111,467	-	-	111,467
Other income	1,977,104	109	-	1,977,213
<b>Investments</b>				
Investment income	14,571	206	-	14,777
<b>Total income</b>	<u>6,112,036</u>	<u>315</u>	<u>-</u>	<u>6,112,351</u>
<b>EXPENDITURE ON:</b>				
<b>Raising funds:</b>				
Finance costs	20,604	-	-	20,604
<b>Charitable activities:</b>				
Teaching costs	3,351,667	-	-	3,351,667
Welfare costs	658,789	-	-	658,789
Premises costs	1,386,758	-	-	1,386,758
Support and governance costs	1,125,262	-	-	1,125,262
<b>Total expenditure</b>	<u>6,543,080</u>	<u>-</u>	<u>-</u>	<u>6,543,080</u>
<b>Net (expenditure) before investment gains</b>	(431,044)	315	-	(430,729)
Revaluation of tangible fixed assets	22,782,063	-	-	22,782,063
Net gains on investments	20,838	2,310	-	23,148
<b>Net movement in funds</b>	<u>22,371,857</u>	<u>2,625</u>	<u>-</u>	<u>22,374,482</u>
<b>Reconciliation of funds:</b>				
Total funds brought forward	1,386,646	406,843	5	1,793,494
<b>Total funds carried forward</b>	<u><u>23,758,503</u></u>	<u><u>409,468</u></u>	<u><u>5</u></u>	<u><u>24,167,976</u></u>

**RYDAL PENRHOS LIMITED**

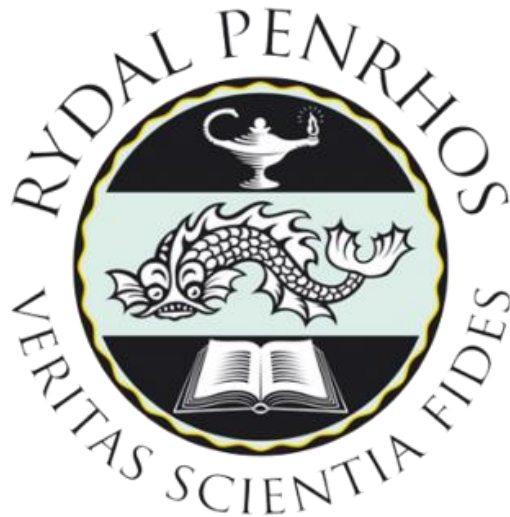
England & Wales - Charity number 1063489

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# Accounts

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**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED**  
**31 AUGUST 2021**



**COMPANY REGISTRATION NUMBER: 3294434**  
**CHARITY NUMBER: 1063489**

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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# RYDAL PENRHOS LIMITED AND SUBSIDIARIES

## COMPANY INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2021

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<b>Incorporation</b>	19 December 1996
<b>Company registration number</b>	3294434
<b>Charity number</b>	1063489
<b>Trustees</b>	Mrs D McKinnel (Chair) Mr J Barnes (Former Chair) (Resigned 18 February 2022) Mr JP Burgess Dr D Fazey L (Resigned 1 March 2022) Mr M Gilman L A Mr D Humphreys Mr B Park R A Mr J C Salisbury R A Mrs BAM Watson L A T The Revd Dr S Wigley Mr JMA Wilford A (Resigned 18 February 2022) Mr IM Williams R (Resigned 11 September 2021) Mr C Wolfendale R (Appointed 4 August 2021) Mrs J Cooper L (Appointed 4 August 2021) Mrs D Keogh L (Appointed 1 March 2022) Mr N Jewsbury L (Appointed 5 May 2022)

### Key of Committee Membership

- *Learning & Personnel - L*
- *Resources - R*
- *Audit & Risk - A*
- *Trusts – T*

The Trustees of the Rosa Hovey Scholarship Trust consist of a committee of the Head and three Trustees.

The Rydal Penrhos Scholarship and Development Fund is under the direct control of the Trustees.

<b>Head/Principal</b>	JE Waszek
<b>Company Secretary</b>	H Filbee
<b>Key Management Personnel</b>	JE Waszek - Principal SA Harding - Head of Senior School (Retired 31 August 2021) L Davies - Head of Prep School A Thomas – Assistant Head R Williams – Assistant Head P Sutton – Deputy Head Senior School H Filbee – Bursar N Sissons – Chaplain (Retired 31 August 2021) A Hind – Head of Pastoral Care (Resigned 31 August 2021) R Beamish – Chaplain (Appointed 1 September 2021)
<b>Registered Office</b>	Old House, Pwlycrochan Avenue Colwyn Bay, Wales, LL29 7BT
<b>Bankers</b>	National Westminster Bank plc. Union Street, Chester, CH1 1UA

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**COMPANY INFORMATION AND TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Solicitors** Pothecary Witham Weld  
70 St Georges Square, London, SW1V 3RD

**Auditors** Xeinadin Audit Limited  
2 Hilliards Court, Chester, CH4 9PX

The Trustees (who are also the directors for the purposes of company law) submit their report and the accounts for the year ended 31 August 2021.

**Structure, governance and management**  
**Constitution**

The company is limited by guarantee and has no share capital. Every member of the company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year of ceasing to be a member, for debts and liabilities of the company contracted before he or she ceased to be a member, such amount as may be required not exceeding £10.

The governance and objects of the School are as laid down in the Articles of Association and Memorandum of Association which incorporates the provisions of the Methodist Secondary Education Trust Deed 1903, as subsequently amended.

**Trustee body**

A list of Trustees of the charity who served during the year and since the year end at 31 August 2021 is shown on the company information page.

Trustees are appointed for a term of five years and may stand for re-election. Conference nominated Trustees are appointed for three years. The Trustee body meets a minimum of four times a year and delegates responsibility to sub-committees as necessary.

The Board seeks to have a broad range of business, professional and educational skills; Trustees receive induction training and are encouraged to participate in regular training in their areas of particular interest.

**Organisational Management**

The Trustees determine the general policy and strategy of the School; the implementation of strategy and the management of the School is delegated to the Head and the Bursar, supported by Senior Leadership Team who together form the key management personnel.

Remuneration amounts are set by the Board and reviewed annually including reference to comparisons with other independent schools. The policy objective is ensuring appropriate incentives to encourage enhanced performance and, in a fair and responsible manner, rewarding for individual contributions to the School's success. The Board appoints the Principal, the Head of Finance and the Chaplain.

**Related Entities**

Details of related entities are incorporated within the related party transactions note to the accounts.

## **VALUES, AIMS AND OBJECTIVES**

Rydal Penrhos seeks to benefit the public through the pursuit of its stated aims 'to advance education and learning'. The Trustees have given due consideration to the Charity Commission's general guidance on public benefit. The school welcomes pupils from all backgrounds; to admit a prospective pupil the school must be satisfied that the school will be able to educate and develop that pupil to the optimum of his or her potential and in line with the general standards achieved by their peers. The Methodist foundation of the school is important to its identity and the way it promotes pupils' attitudes and responsibilities to each other and society at large.

### **Our Aims and Objectives**

Our key objectives for the year were:

- To improve the financial operation of the school by focussing the impact of expenditure on pupil outcomes.
- To enhance the quality of teaching and learning by a strong focus on in service training and performance management for teaching and support staff.
- To further improve academic performance. The results in the school are already of a high standard compared with the National Average, however, we should always strive to be better than the previous year and therefore set targets for the Heads of Faculty. Our Value Added as reported by Centre for Evaluation and Monitoring, CEM, is very high, particularly in GCSE and we often achieve scores in the top 5% of schools in the country.
- To improve the school's relationship with all stakeholders, including pupils, parents, staff, alumni and local residents. Building these relationships includes two-way communication such as regular questionnaires and parental dinners.
- To improve significantly the professionalism and performance of all support functions including finance, HR and communications/marketing. Additionally, the school looked to reimagine its commercial activities by hiring an experienced Commercial Manager.
- To increase pupil numbers across all age groups through effective marketing, a more attractive fee structure and a responsive, personal approach to the challenges of raising children and young people during a period of global uncertainty.
- To maintain the highest standards of coronavirus related security, allowing school life to go ahead with as little disruption to our staff and pupils as possible.
- To secure the continuation of the school's first-class educational provision in the event of further lockdowns by improving our technological solutions in relation to remote learning.
- To expedite the development of the school's estate and facilities with the intent of improving educational outcomes, aligning various parts of the school, raising funds for further investment and adding value to our local area through the positive, environmentally-conscious redevelopment of redundant assets.
- To build for a long-term increase in the school's fundraising income, with the aim of supporting our Fully Funded Places scheme through the Donald Hughes Trust.

## **STRATEGIC REPORT**

### **Review of Operational Performance of the School**

#### **Covid-19**

A coordinated response to the Welsh government's second lockdown saw an effective online learning program provided from January 2021. This program was the result of considerable planning and foresight by our senior leadership, using knowledge and experience gained from the first lockdown. Our educational provision during the lockdown included:

- **Pre-School**
  - In person, on-site care
  - Lessons continued as normal with the exception of swimming and coastal school.

**Covid 19 (continued)**

- **Reception and Year 1**
  - Four live lessons per day and one small group lesson.
- **Years 2 to 6**
  - Six live lessons per day plus form time and assemblies.
  - A 30-minute physical activity lesson each day.
  - Specialist lessons in Music, Art, RE, Welsh and Spanish.
  - One-to-one Music and Speech & Drama lessons continued where possible.
- **Year 7**
  - 23 live lessons, 6 form periods and 5 optional workout sessions each week.
- **Year 8**
  - 25 live lessons, 6 form periods and 5 optional workout sessions each week.
- **Year 9**
  - 27 live lessons, 6 form periods and 5 optional workout sessions each week.
- **Years 10 and 11**
  - 28 live lessons, 6 form periods and 5 optional workout sessions each week.
- **Years 12 and 13**
  - Completed all the lessons in their normal timetable remotely.

Keyworker pupils were supervised by teachers and teaching assistants on the Prep site.

Across the school:

- Pupils benefitted from meeting (virtually) with one another and their form tutors thanks to their daily form periods. This also allowed tutors to monitor their wellbeing.
- Cooking continued with live sessions, with pupils participating from their own kitchens.
- Live workout sessions led by staff helped pupils to stay healthy, physically and mentally.
- PSHE lessons offered an opportunity for our children and young people to talk about their mental health and share any ideas that they may have.
- Parents evenings moved online thanks to the implementation of SchoolCloud software. The response to these events was overwhelmingly positive; a survey afterwards saw all facets of the experience rated four out of five or above. Rydal Penrhos are actively making improvements for future events as this virtual format will likely become the norm.
- Attendance levels remained high, bucking the national trend. When national secondary school attendance dropped as low as 78% over a week in the winter 2020/21 lockdown, Rydal Penrhos maintained a 92.8% attendance rate.

**Academic**

Rydal Penrhos provides excellent academic teaching and support (improving in turn the long-term life prospects of local children and young people) through its stated aim 'to advance education and learning'. This aim complies with section 3(1)(b) of the Charities Act 2006, and in serving the public qualifies as a charitable purpose as specified in section 2(1).

Estyn most recently inspected Rydal Penrhos in March 2020 and said that the school "is facing the future with growing confidence". Rydal Penrhos "provides a caring environment and supports pupils effectively in developing an understanding of their roles and responsibilities as part of a school community". They confirmed that the school meets all of the Independent School Standards (Wales) Regulations 2003.

Rydal Penrhos pupils continued to thrive, underpinned by a strong supportive community spirit. Pupils achieved excellent results, from the youngest Pre-Prep children to eighteen-year-old A-Level candidates. The wide range of co-curricular activities, much valued by pupils and parents, saw outstanding personal attainment at local, regional and national levels.

### **Academic (continued)**

#### A-Level

Rydal Penrhos achieved its best ever A-Level results in the summer of 2021. The A-Level pass rate was 100% of which 84.1% of these grades were at A\*, A and B, and 92% from A\* to C inclusive. 54.54% of all awarded grades were A\*, which increases to 70.5% when including A grades. These figures are 35 and 25 points above the national average respectively. This was, however, a very good cohort and given that all year groups differ the school must strive to maintain these high standards.

The results improved the school's 'value-added' statistic (as measured by the Centre of Evaluation and Monitoring in Gateshead) for A-Level to 1.04. This means that, on average, our pupils scored a grade higher than they were previously projected in every single exam they sat.

#### GCSE

Summer 2021's GCSE results were excellent. 68.7% of pupils scored between 9 and 7 or A\* to A, compared to a national average of 30%. 51% received A\* grades through WJEC.

Our (I)GCSE candidates in Year 11 achieved a 92.7% pass rate (at grades 4 - 9, A\* - C), with a mean number of passes per candidate of 8. Amongst the 4 subjects still graded under the former A\* to G system, A\* was by far the most frequently-scored grade; with regard to the 17 subjects with the new numerical grades, the combined total of grades 9, 8 and 7 (equivalent to the former A\* and A) represented nearly half of the total grades awarded in these subjects.

Rydal Penrhos achieved a 0.81 value-added score for this year's GCSEs. This means that, on average, every eight out of ten subjects a pupil sat resulted in a higher grade than was otherwise expected.

All GCSE Mathematics candidates from Year 10 scored results graded 7, 8 and 9 (equivalent to the former A\* and A grades), and this a year ahead of their peers.

#### Technology

Despite the challenges of covid, Rydal Penrhos has maintained an excellent teaching provision by embracing technological solutions.

Following the school's decision in 2020 to provide 8th Generation Apple iPads at no extra cost to all pupils in Years 3 to 13, every Rydal Penrhos pupil above Reception (age 5) now has access to their own iPad, with pupils Year 3 and over having access to their iPad outside of school hours and term time. Every pupil aged 5 and over had access to remote learning through a school-issued iPad, improving the long term educational and mental health prospects of our local children and young people by keeping them engaged in learning during the coronavirus crisis.

The school spent over £250,000 modernising its IT capabilities. Rydal Penrhos uses Microsoft Office, including video conferencing, cloud storage and note-taking, alongside specialist software products, including augmented reality apps that can help visualize concepts in subjects as diverse as Maths and History, Biology and Economics. Pupils can also use creative software such as iMovie or Garage Band to present work and class projects in new forms.

In Pre-School, we have implemented Evidence Me, an award-winning observation, assessment and reporting app that allows teaching staff to show the impact of their methods by capturing the different experiences of Pre-Schoolers, monitoring their development in key areas and creating digital documents that can be accessed on any device. Teachers and parents share and access information instantly both from school or home, streamline record-keeping, and receiving suggestion objectives based on what topics Pre-School are undertaking at any point.

**Academic (continued)**

Reading

Despite the proliferation of online and video resources for learning, the school recognises the benefits of strong reading skills to all areas of academic life. More importantly, Rydal Penrhos values the power of literature to inspire the imagination, creativity and joy for pupils and adults of all ages.

Substantial improvements have been made to reading accessibility across the school. A new Key Stage 3 and 4 library has been established and our Sixth Form also have a new library space.

Our Prep have recently updated their reading scheme – the Oxford Reading Tree – to ensure each pupil has access to all the recent titles and resources. Pupils have also had access to reading resources through the Accelerated Reader scheme. A number of other initiatives have been launched to help strengthen the reading culture including: form tutors and their tutees discussing their current reading in form time; entering Year 7 and 8 into Read for Good's Readathon challenge; dedicating a week in March to the celebration of World Book Day; and joining the CILIP shadowing program, where pupils read the shortlisted books for the Carnegie and Kate Greenaway Medals.

Competitions and Events

Rydal Penrhos pupils continue to engage in a range of team and individual competitions that help them explore their interests, gain confidence and meet like-minded young people and mentors.

One Year 13 pupil achieved the distinction of being shortlisted for the John Locke History Essay prize, organised by the University of Oxford. She received a high commendation mark from the judges, ranking her just outside of the top three among the 2740 applicants.

In June, a team of 3 Year 12 chemists won the Royal Society of Chemistry's Analytical Division North West regional competition. The £500 prize was awarded to the school to reinvest in chemistry equipment for pupils. Our joint-Deputy Head Boy attained a Silver Award at the British Biology Olympiad, which is an advanced problem-solving competition for A-Level pupils across the country.

Year 7 pupils were visited by the creators of the "Charlotte Holmes Adventure Box". Author Ben Richards invited the pupils to write their own adventure with the winner having their name included in the next adventure in the series!

Year 5 to 8 pupils were involved in the National Literacy Trust's first ever National Reading Quiz. The Year 12 History class took part in a creating a podcast on the motives for The Crusades in the style of BBC Radio 4's 'In Our Time'. Their teacher sent the podcast to the senior producer at BBC Radio 4, who said that the Year 12 class were in "command of the detail as well as the bigger picture" and should be "proud of this very clear and wide-ranging explanation/exploration of this fascinating and significant period in history".

Sixth Form pupils were victorious in an Enterprise Challenge set by Lancaster University School of Management. Over several rounds the team had to present ideas for a new enterprise, fully costed, to meet UN Sustainability Goals. The Rydal Penrhos team were inspired by the school's links to Uganda and devised a system of implementation of solar panels on Ugandan schools to power laptops and create a virtuous educational circle.

**Preparation for Life After School; University Destinations**

Rydal Penrhos places a great emphasis on supporting its pupils as they prepare to enter higher education and post-school life. The school employs a dedicated UCAS and Careers focused staff member who advises pupils on a variety of issues relating to higher education. In the Summer 2021, every Rydal Penrhos applicant was accepted into their first-choice university including the University of Oxford, the University of Cambridge, Durham University, the University of Warwick, the University of Michigan and Northwestern (Chicago) University.

### **Preparation for Life After School; University Destinations (continued)**

For pupils electing not to enter higher education immediately, or at all, the school provides support in organizing gap year opportunities and exploring potential employment or apprenticeship. One Summer 2021 leaver was accepted onto Qioptiq's four-year degree apprenticeship beating hundreds of candidates in the process.

### **Wellbeing**

Rydal Penrhos appreciates the difficulties faced by today's children and young people. The school places the utmost importance on encouraging an open dialogue between pupils, parents and teachers regarding mental health. In addition to covering the topic as part of curriculum GCSE lessons, the school has also organized various additional events and activities to bring attention to the topic and support pupils' mental health:

- In February the school marked Children's Mental Health Week, focussing on 'Expressing Yourself', finding ways to share feelings, thoughts and ideas through creativity.
- The school participated in Hello Yellow Day, organized by Young Minds UK to raise awareness of young people's wellbeing.
- During lockdown Rydal Penrhos organised a variety of online fitness sessions to ensure that the positive mental health effects of exercise were not lost due to the pandemic.
- The Prep Podcast Club turned their attention to mindfulness, with pupils urging listeners to take a few minutes in the day to do nothing and forget the stresses of day-to-day life. Pupils shared tips on how to improve mindfulness and reduce stress, including caring for a pet, meditating regularly, focusing on nature and being yourself.
- The Podcast Club tackled the issue of bullying, which can have a devastating effect on wellbeing and self-esteem. Pupils covered types of bullying and encouraged people to speak to a family member or teacher in those situations. Pupils also lent their support to the Anti-Bullying Pledge, a nationwide campaign on the importance of tolerance and understanding.

### **Extra-Curricular**

The school recognises the importance of a balanced curriculum and opportunities to develop interests and skills beyond the classroom; music, drama and sport play an important part of school life and participation is encouraged at all levels and ages, thus developing wider interests and team spirit and resilience. The school's enviable location enables pupils to enjoy sailing, golf and outdoor activities such as The Duke of Edinburgh Award scheme as well as traditional team sports. The Speech and Drama programme and music tutoring improve confidence and self-esteem.

There has been increased emphasis this year on improving the Academic offering on the extra-curricular programme, including such things as Model United Nations, Young Enterprises, Debating Society, the Scientific Society and the Coding Club. The Prep curriculum embraced new ideas and ways of teaching particularly in Science. A diverse range of activities are available to all age groups including crafts as well as Outdoor Education, Sport, Music and Drama.

#### The Duke of Edinburgh Award

Rydal Penrhos is a Licensed Centre for the popular Duke of Edinburgh (DofE) Award scheme and offers all three levels of the prestigious programme. Many pupils have achieved the coveted Gold Award under the guidance and tutelage of our specialist DofE coordinator.

#### Combined Cadet Force

The Combined Cadet Force (CCF) is open to all pupils from Year 8. The CCF is sponsored by the Ministry of Defence to "provide a disciplined organisation in a school so that pupils may develop powers of leadership by means of training to promote the qualities of responsibility, self-reliance, resourcefulness, endurance and perseverance". 40% of a cadet's time would be spent on adventurous training exercises.

### **Extra-Curricular (continued)**

Year 8 cadets took part in a three-day training camp at Kinmel Park Training Area, being led by the 160 Brigade Wales cadet training team. The activities centred on camouflage and concealment and construction of a Basha observation post.

Online sessions with Armed Forces personnel focused on topics including communication, Army diet and nutrition, values and standards, first aid, maps and navigation and concealment.

The program has become a favourite among pupils, with over 35 cadets; with the introduction of Year 8 cadets, the school is able to give older cadets positions of responsibility increasing the connectedness between year groups.

### **Sports & Outdoor Education**

Rydal Penrhos recognizes the positive impact of sports in bringing communities together and promoting health and wellbeing. The school maintains a proud sporting history and the school maintains sporting facilities of the highest order to support and encourage its emerging sportspeople. Various sports days were held in school many pupils individually undertook sport in their individual fields at regional or national level.

Senior pupils completed the Virgin Money Giving Mini London Marathon. A Year 10 pupil was selected to represent North Wales Under 17s track and field team at the Ellesmere Port Track Meet. A Year 11 golfer signed with Pro Dream USA and our Head Boy was appointed Junior Captain for the prestigious North Wales Golf Club.

Skiing is another sport that the school has seen great success in. In the North Wales Schools Skiing Championships a Year 11 and a Year 7 pupil secured first place in the Under 18 and Under 14 boys' events respectively.

Rydal Penrhos prides itself on its sailing provision. A Year 10 pupil was one of 2 Rydal Penrhos sailors awarded 'Elite Athlete' status by Sport Wales – he has been selected for several RYA Cymru Wales squads and has trained with the RYA UK Junior Squad. Another talented sailor in Year 9 was called up to the RYA's Regional Training Group – Feva (North) and a Year 8 sailor was selected to train with the RYA Regional Training Group – Feva (Midlands).

Rydal Penrhos has a proud cricket tradition, having produced several talented club and national players in the past. This year, a Year 13 pupil produced a series of outstanding displays for Buckley Cricket Club, emerging as the team's top-scorer. Additionally, a Year 9 pupil was called up to the North Wales Under 14s setup for their match against Lancashire.

### **Drama**

Curriculum drama continued to thrive over the year. Rydal Penrhos recognises that drama lessons improve confidence, self-esteem and public speaking skills in children and young people.

Prep pupils marked our emergence from the second lockdown with a production of 'A Rainbow Year'. The play was written and directed by staff and members of Year 6.

Speech and Drama pupils continued to have success in the examinations run by the London Academy of Music and Dramatic Art (LAMDA). Overall, Rydal Penrhos pupils achieved one Grade 8 (the highest award), Grade 7 and Grade 6, two Grade 5s and six Grade 4s.

Pre-Prep and Pre-School pupils participated in a full Christmas Nativity performance shortly before the end of term. The professionally rehearsed and fully costumed performance was recorded and published on the school's YouTube and weekly online newsletter for parents to watch, given their physical presence was not allowed. A 2020 Year 13 leaver joined Goldsmiths, University of London to pursue their Musical Theatre course. The pupil was a long time contributor to Rydal Penrhos drama productions and concerts.

## **Music**

Rydal Penrhos has a proud history of music that spans several instruments, genres and generations. In addition to a thriving curriculum music programme over the year, several pupils achieved some remarkable individual feats:

- A Year-13 pupil scored 42 out of 50 in their ABRSM clarinet diploma, securing a merit mark and the honour of carrying the ABRSM initials at the end of her name. She has secured a place at the University of Bangor to study Music (BA Hons).
- A Year 7 pupil achieved distinction in his Acoustic Guitar – Grade 2 (Recorded) Assessment for the London College of Music Examination.
- A Year 5 pupil scored two marks short of a distinction in his ABRSM Grade 1 piano examination.
- A Year 6 pupil achieved a distinction in his Grade 3 piano examination, two months after achieving a distinction in his Saxophone examination.
- A Year 13 pupil sat his Grade 8 Piano assessment from the ABRSM and passed with Merit.

## **Admissions**

Having transitioned from a day/boarding school to a day school, the school's pupil numbers are increasing at a consistent rate. The school aims to have as many pupils as possible without sacrificing the standard of its educational provision, because educating more children and young people increases the scale of public good the school can create.

Prep numbers increased from 116 in the autumn of 2020 to 137 at the beginning of autumn 2021. Similarly Senior pupils increased from 201 to 223 over the same period. These figures represent increases of 18% and 11%, respectively, which the school believe to be highly impressive given the circumstances in which they were achieved, namely the pandemic and its consequences.

The school recruited a new Marketing & Admissions Coordinator to oversee marketing and recruitment of new pupils. This year, the school recruited a new Marketing & Admissions Assistant to further support this effort.

## **Fees, Scholarship Premiums and Fully Funded Places**

In line with our strategic plan, the school has moved to a fairer, more transparent fees system. The qualifying criteria for our financial assistance measures – the Fully Funded Place, Scholarship Premium and Bursary Schemes – have been clearly defined.

Rydal Penrhos aims to set fees at the minimum required level to provide a high quality education to every pupil. This way, the school can offer its educational provision to more children and young people, thus increasing the effect of its charitable purpose. Our effort to keep fees to a minimum is demonstrated by a consistent decrease in our school fees when adjusted by CPI between the period 2018/19 and 2020/21. This has been made possible by a series of efficiency and cost-reduction measures made across the school, without sacrificing the quality of our service.

Rydal Penrhos appreciates the financial hardship precipitated by the pandemic and has attempted to support its parents however possible. The school committed to fund all examination entry fees for GCSE and A-Level pupils. This represents a saving of approximately £500 for a Year 11 pupil, £200 in Year 12 and £350 in Year 13.

By each year offering two fully-funded places in Year 7 and Year 12 to new pupils joining from the North Wales area, Rydal Penrhos serves the public interest, supporting local, disadvantaged people who have the ability to achieve great things and contribute to society at large.

The Trustees view the school's bursary awards as important in helping to ensure that children from families who would not otherwise afford the fees can access education offered by the school. The school aims to develop exceptional talent, to widen participation and demonstrate public benefit and this is supported by the provision of scholarships and bursaries for senior pupils.

### **Fees, Scholarship Premiums and Fully Funded Places (continued)**

Bursaries are available to those who meet the entry requirements on the basis of parental means or relief of hardship. The school takes many factors into consideration including income, investments, savings and circumstances. Details of bursaries, allowances and scholarships are in Note 2.

### **Fundraising**

The school recognises the importance of fundraising to the continued operation and growth of our Fully Funded Places and Scholarship Premiums. A substantial proportion of fundraising activities by the school are now in support of these schemes. The school continues to maintain several trusts and memorial funds, most notably the Donald Hughes Trust.

### **Staff**

Training and performance management for our staff are considered highly important and as such the school has organised several training days. The school has introduced appraisal software such as BlueSky Education that allows staff to set targets for themselves and others under their management.

### **Infrastructure Investment & Changes to the School Estate**

In Spring 2021 the school published a 'Prospectus of School Estate Changes'. This was distributed to key stakeholders, including local residents. The plan was produced based on the following aims and criteria:

- Securing the position of the school as a thriving forward-looking successful twenty-first century day school.
- Further improving the use and quality of resources across the whole school to benefit all pupils.
- Seeking to future proof the school estate for potential educational developments.
- Ensuring that the school estate is safe and secure for all pupils, staff and visitors.

Central to the plan is the relocation of the Prep away from Pwllcrochan, which will allow younger pupils to make use of existing facilities on the Senior site. Revenues from the sale of Pwllcrochan will be invested in infrastructure projects across the school. The old Prep site will be sensitively redeveloped to create a diverse new housing with open public spaces and maximum biodiversity. Crucially, the listed Pwllcrochan building will have its external façade retained and restored.

### **Commercial Activities**

Rydal Penrhos use and support over 3000 companies, over a third of which are local. The school contributes over £5 million to the local economy.

During the year, the school recruited a Commercial Manager to expand our commercial activities, allowing more of the community to take advantage of the school's facilities, generating revenues to re-invest into the education of our children and young people.

In July the school finalised a partnership with North Wales Crusaders, a League 1 Rugby League side that had recently relocated their fixtures to a local ground. Rydal Penrhos will host Crusaders' events at the school and allow the team access to our sporting facilities during training weekends.

### **Holiday Club**

The school's Holiday Club has positive benefits for our parents, enabling them to continue their valuable work in both public and private sectors. This creates wider benefits for the community by stimulating the economy and supporting vital institutions.

### **Charity & Community Service**

The school continues to play an important part in the local community; pupils provide support to local events and local schools benefit from using the Rydal Penrhos sports facilities free of charge, as well as participating in sports tournaments hosted by Rydal Penrhos.

Pupils and staff have taken part in a number of fundraising activities for worthy causes during school hours and in their own time:

- During Activity Week, pupils cleared litter from a beach on Anglesey, for the benefit of locals, visitors and wildlife.
- A Year 10 pupil lent his support to the Kind Bay Initiative, a local homeless charity. The pupil put his culinary skills to good use by cooking meals. Later in the year, he and his sister joined KBI in trekking up Mount Snowdon carrying a stretcher to symbolise the burdensome weight mental health issues can place on a person's life.
- Rydal Penrhos continued its longstanding partnership with Ty Gobaith Hospice, having raised more than £51,000 to date.
- A Year 13 pupil supported Ty Gobaith's "Bringing the Big Night Out, In!" extravaganza, streamed live on the charity's YouTube channel. The pupil's singing has won prizes at both the Urdd National Eisteddfod and Llangollen International Eisteddfod.
- The Prep council decided to offer reading boxes for NHS staff rooms to promote reading as a tool for personal wellbeing.
- A teacher from school was joined by two former pupils on the thousand-mile three-day walking challenge set by The Walking Women, an organisation increasing awareness of female health conditions. Over £4500 was raised.
- Pupils took part in a dress up day to raise funds for Brain Tumour Research, a cause close to the school. Over £500 was raised towards the cause.
- Pupils participated in birthday celebrations for a pair of centenarians at a neighbouring retirement home.
- A Year 10 pupil baked cakes for workers at Liverpool Women's Hospital during the pandemic, in acknowledgement of their hard work and sacrifice during difficult times.
- Rydal Penrhos joined over two million people in supporting Save the Children and its annual Christmas Jumper Day. The school also continued its support of Children in Need, having raised thousands of pounds in the past.
- Rydal Penrhos's school choir was at the heart of the town's Remembrance Day service, providing the music and singing before the service.
- Rydal Penrhos raised funds for Hello Yellow Day, an initiative led by Young Minds UK, a charity that aims to combat children's mental health issues.

### **Environmental Initiatives**

Rydal Penrhos is fortunate to enjoy a wonderful location of natural beauty, such as the coastline and Snowdonia National Park. We appreciate the importance of reducing our environmental footprint and becoming more sustainable. We are proud that our pupils take a leading role in this effort:

- A Year 1 pupil earned a Blue Peter Green Badge in recognition of her efforts towards the show's Climate Heroes campaign.
- As part of the Eco Committee's involvement with The Pod's Waste Week challenges, a Year 4 pupil produced a chocolate baked banana recipe that has been included in the Great Busta Banana Bake recipe book. T
- Prep pupils participated in the World Wildlife Fund's Earth Hour, a global awareness event held to "celebrate our amazing planet".

### **Other Relationships**

As an Associate member of the Methodist Independent Schools group, the school benefits significantly from the collective ethos and educational initiatives of that group. The Heads of school are also members of the Society of Heads and of WISC.

### **Financial review and future plans**

The transition from a Boarding/Day School to a fully Day School was completed in the year, boarding having ceased at the end of Trinity (Summer) Term 2021. The anticipated reduction in income of circa £500k was funded by a reduction in planned expenditure of around £700k. However, the impact of Covid-19 was again significant and had an estimated negative impact of circa £550k. This was partly due to an additional reduction in boarding fee income of approximately £350k and a reduction in lettings income of around £200k.

The planned property sales during the year of £1.7m enabled the school to continue the Project Bold plan in staffing and curriculum, though the Covid-19 regulations delayed the planned developments in extra-curricular provision.

The structural changes in relation to the campus have been delayed significantly due to the national issues in the planning and authorisation of building projects caused by Covid-19 restrictions in Wales. However, although delayed, the school is working effectively with partners in both the public and private sectors to progress the developmental plans.

Day pupil numbers rose during the period and the school has continued to see a 15% increase in pupil numbers during 2021-22 and reasonably anticipates a further increase of between 5% and 10% during 2022-23. This has enabled the Board to set a fee increase of 4.8% against a background inflation rate of approaching 10%.

### **Investment powers and policy**

The investment powers are governed by the Memorandum & Articles of Association that permits the funds of the School and its subsidiary charities to be invested in any investment or security as the charity may think fit. Investments are held under the management of the TMCP and Investec, which provides investment advice.

### **Reserves**

Total reserves of the group at 31 August 2021 were £25.692m (2020: £1.793m), with unrestricted funds of £25.283m (2020: £1.386m) which includes designated funds of £0.561m (2020: £0.625m). At 31 August 2021 the group had restricted funds of £0.409m (2020: £0.407m) and a permanent endowment of £5 (2020: £5). Further details of the restricted and designated funds are given in note 17.

The Trustees regard 'free' reserves as being the reserves of the School after deducting fixed assets not covered by specific bank financing and investments held to generate income for the various Trust funds. On the basis described there is a deficit of free reserves of £1.698m (2020: £1.978m). Similar to many other independent schools, the School has invested heavily in fixed assets which have resulted in this deficit.

The need for day-to-day working capital is met by careful management of short-term liquid resources.

The policy is to reduce the level of free reserves deficit from annual operating surpluses, subject to the prior demands of further capital expenditure to equip the School with the up-to-date facilities needed to maintain the standard of educational services currently provided.

**Risk management and principal risks and uncertainties**

The Governing Body is responsible for the management of the risks faced by the School, and a formal review of the risk management processes is undertaken regularly.

The main risks that the Trustees have identified and the plans to manage those risks are:

- **Reputation** – the School's success is built on its reputation for the education and wellbeing of our pupils.

This risk is managed through safeguarding policies, providing a broad and attractive curriculum, staff recruitment policies, pastoral support for both pupils and staff and management of health and safety matters.

- **Financial viability** – our ability to operate is reliant on the prompt receipt of fee income based on stable pupil numbers and effective management of costs.

This risk is managed by marketing activity to maintain and expand pupil numbers, maximising pupil retention, maintaining a reputation for academic excellence and active cash flow management.

The Trustees are satisfied that the major risks identified have been adequately mitigated as far as possible.

It is the Board's policy that key controls should include:

- Formal agendas for all Board and Committee meetings
- Detailed terms of reference for all Committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of children

# RYDAL PENRHOS LIMITED AND SUBSIDIARIES

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

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### Statement of Trustees' Responsibilities

The Trustees (who are also directors of Rydal Penrhos Limited for the purposes of company law) are responsible for preparing the Trustees' Report (including the group director's and strategic report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 (FRS 102);
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

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

### Disclosure of information to auditors

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

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

### Auditors

Xeinadin Audit Limited were appointed as auditor to the group and parent charitable company in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

This report, incorporating the group strategic report, was approved by the Trustees, in their capacity as company directors, on 17<sup>th</sup> May 2022 and signed on their behalf by:



.....  
**Deborah McKinnel**  
Chair

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF RYDAL PENRHOS LIMITED**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Opinion**

We have audited the financial statements of Rydal Penrhos Limited (the 'charitable parent company') and its subsidiaries ('the group') for for the year ended 31 August 2021 which comprise comprise the group statement of financial activities, the group balance sheet, the charitable company balance sheet, the group statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and of the parent charitable company's affairs as at 31 August 2021 and of the group's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The other information comprises the information included in the annual report set, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF RYDAL PENRHOS LIMITED (continued)

### FOR THE YEAR ENDED 31 AUGUST 2021

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

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

- the information given in the Trustees' Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included in the Trustees' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

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

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

#### **Responsibilities of Trustees**

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

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

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

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

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

Enquiries of management and those charged with governance were held in order to identify any laws and regulations that could be expected to have a material impact on the financial statements. Throughout the audit, the team were updated with the outcomes of these enquiries including consideration as to where and how fraud may occur in the Trust.

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RYDAL PENRHOS LIMITED (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

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The audit procedures undertaken to address any potential risk in relation to irregularities (which include fraud and non-compliance with laws and regulations) included: enquiries of management and those charged with governance on how the charity complies with relevant laws, regulations and any cases of actual or potential litigations or claims; examination of appropriate legal correspondence; review of board minutes; testing of journal entries for appropriateness; and analytical procedures on account balances to identify variances against expectation which may show indications of fraud.

No instances of material non-compliance were identified, although the prospect of detecting irregularities, including fraud, is inherently difficult. This is due to; difficulty in detecting irregularities; limits imposed by the effectiveness of the entity's controls; and the nature, timing and extent of the audit procedures performed. Irregularities as a result of fraud are inherently more difficult to detect than those that resulting from error. Despite this the audit has been planned and performed in accordance with ISAs (UK), there is an unavoidable risk that material misstatements may not be detected.

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

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Michael Caputo FCA (Senior Statutory Auditor)**  
For and on behalf of Xeinadin Audit Limited

17<sup>th</sup> May 2022

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

2 Hilliards Court  
Chester Business Park  
Chester  
Cheshire  
CH4 9PX

### Notes:

1. The maintenance and integrity of Rydal Penrhos Limited's website is the responsibility of the Trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	Unrestricted Funds £	Restricted Funds £	Permanent endowment £	2021 Total £	2020 Total £
<b>INCOME FROM:</b>						
<b>Charitable activities:</b>						
School fees	2	4,008,894	-	-	4,008,894	4,489,060
<b>Trading and other activities:</b>						
Lettings income	3	111,467	-	-	111,467	24,632
Other income	3	1,977,104	109	-	1,977,213	614,897
<b>Investments</b>						
Investment income	4	14,571	206	-	14,777	16,144
<b>Total income</b>		<u>6,112,036</u>	<u>315</u>	<u>-</u>	<u>6,112,351</u>	<u>5,144,733</u>
<b>EXPENDITURE ON:</b>						
<b>Raising funds:</b>						
Finance costs		20,604	-	-	20,604	23,787
<b>Charitable activities:</b>						
Teaching costs		3,351,667	-	-	3,351,667	3,662,382
Welfare costs		658,789	-	-	658,789	843,852
Premises costs		1,386,758	-	-	1,386,758	1,272,336
Support and governance costs		1,125,262	-	-	1,125,262	882,859
<b>Total expenditure</b>	7	<u>6,543,080</u>	<u>-</u>	<u>-</u>	<u>6,543,080</u>	<u>6,685,216</u>
<b>Net (expenditure) before investment gains</b>		(431,044)	315	-	(430,729)	(1,540,483)
Revaluation of tangible fixed assets	8	22,782,063	-	-	22,782,063	-
Net gains/(losses) on investments	9	20,838	2,310	-	23,148	(7,211)
<b>Net movement in funds</b>		<u>22,371,857</u>	<u>2,625</u>	<u>-</u>	<u>22,374,482</u>	<u>(1,547,694)</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward		1,386,646	406,843	5	1,793,494	3,341,188
<b>Total funds carried forward</b>		<u><u>23,758,503</u></u>	<u><u>409,468</u></u>	<u><u>5</u></u>	<u><u>24,167,976</u></u>	<u><u>1,793,494</u></u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure is derived from continuing activities.

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

The notes on pages 21 to 37 form part of these financial statements.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**Company Number: 3294434**

**BALANCE SHEETS**

**AS AT 31 AUGUST 2021**

	Notes	Consolidated		Company	
		2021 £	2020 £	2021 £	2020 £
<b>Fixed assets</b>					
Tangible assets	8	25,457,043	3,357,543	25,455,043	3,355,543
Investments	9	197,795	174,647	6,502	6,859
Investment in subsidiary	9	-	-	2	2
		<u>25,654,838</u>	<u>3,532,190</u>	<u>25,461,547</u>	<u>3,362,404</u>
<b>Current assets</b>					
Stocks	10	49,000	65,109	49,000	65,109
Debtors	11	88,161	119,607	87,657	119,212
Cash at bank and in hand		361,732	585,291	343,931	568,071
		<u>498,893</u>	<u>770,007</u>	<u>480,588</u>	<u>752,392</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(1,708,296)</u>	<u>(2,163,505)</u>	<u>(2,059,784)</u>	<u>(2,531,326)</u>
<b>Net current liabilities</b>		<u>(1,209,403)</u>	<u>(1,393,498)</u>	<u>(1,579,196)</u>	<u>(1,778,934)</u>
<b>Total assets less current liabilities</b>		24,445,435	2,138,692	23,882,351	1,583,470
<b>Creditors: amounts falling due after more than one year</b>	13	<u>(277,459)</u>	<u>(345,198)</u>	<u>(277,459)</u>	<u>(345,198)</u>
<b>Total net assets</b>		<u><u>24,167,976</u></u>	<u><u>1,793,494</u></u>	<u><u>23,604,892</u></u>	<u><u>1,238,272</u></u>
<b>Capital</b>					
Permanent endowment	17	5	5	-	-
<b>Income</b>					
Restricted funds	17	409,468	406,843	7,522	7,522
Unrestricted funds:					
General reserve	17	765,317	761,998	725,819	723,884
Designated funds	17	560,668	624,648	439,033	506,866
Revaluation reserve	17	22,432,518	-	22,432,518	-
<b>Total funds</b>		<u><u>24,167,976</u></u>	<u><u>1,793,494</u></u>	<u><u>23,604,892</u></u>	<u><u>1,238,272</u></u>

As permitted by s408 Companies Act 2006, the charitable company has not presented its own statement of financial activities and related notes. The charitable company's deficit for the year was £65,899 (2020: £1,567,027).

These financial statements were approved by the Trustees and authorised for issue on 17<sup>th</sup> May 2022 and are signed on their behalf by:



**Deborah McKinnel**  
**Chair**

The notes on pages 21 to 37 form part of these financial statements.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**CONSOLIDATED CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 AUGUST 2021**

	2021		2020	
	£	£	£	£
<b>Reconciliation of net expenditure to net cash flow from operating activities:</b>				
Net income/(expenditure) before investment gains/(losses)	(430,729)		(1,540,483)	
Depreciation charges	580,501		219,835	
Interest paid	20,604		23,787	
Investment income	(14,777)		(16,146)	
(Increase)/decrease in debtors	31,448		630,226	
Increase/(decrease) in creditors	(389,131)		562,153	
(Increase)/decrease in stock	16,109		23,392	
Profit on sale of property	(1,164,923)		-	
<b>Net cash provided from operations</b>		<b>(1,354,372)</b>		<b>(97,236)</b>
<b>Net cash flow from investing activities:</b>				
Investment income	14,777		16,146	
Purchase of tangible fixed assets	(52,408)		(152,534)	
Proceeds from sale of investments	-		31,118	
Net proceeds from sale of tangible assets	1,322,866		5,400	
<b>Cash provided from/(used in) investing activities</b>		<b>1,285,235</b>		<b>(99,870)</b>
<b>Cash flows from financing activities:</b>				
Bank loan repayments	(20,604)		(23,419)	
Interest paid	(14,692)		(23,787)	
<b>Net cash (used in) financing</b>		<b>(35,296)</b>		<b>(47,206)</b>
<b>Increase in cash and cash equivalents</b>		<b>(104,433)</b>		<b>(244,312)</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>466,165</b>		<b>710,477</b>
Cash and cash equivalents at the end of the period		<b>361,732</b>		<b>466,165</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		<b>2021</b>		<b>2020</b>
		<b>£</b>		<b>£</b>
Cash in hand and at bank		361,732		585,291
Bank overdraft		-		(119,126)
		<b>361,732</b>		<b>466,165</b>

# RYDAL PENRHOS LIMITED AND SUBSIDIARIES

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2021

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### 1. ACCOUNTING POLICIES

#### Charity information

Rydal Penrhos is a charitable company limited by guarantee incorporated in England and Wales and registered with the Charity Commission. Rydal Penrhos Limited was incorporated on 19 December 1996 (company number: 3294434) and registered as a charity on 17 July 1997 (charity number: 1063489). The registered office is Old House, Pwllcrochan Avenue, Colwyn Bay, Wales, LL29 7BT.

The group consists of Rydal Penrhos Limited and all of its subsidiaries.

The Charitable Company's financial statements have been prepared in compliance with the Charities SORP (FRS 102) issued 1 January 2015 (update bulletin 2, effective 1 January 2019).

#### Legal Status

The members of the company are the Trustees. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

#### Accounting convention

The financial statements have been prepared in accordance with the charity'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 (FRS 102) (as amended for accounting periods commencing 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102. The financial statements are prepared in sterling, which is the functional currency of the charity. 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 land and buildings and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The charitable company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The School has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

#### Basis of consolidation

The consolidated financial statements incorporate those of Rydal Penrhos Limited and all of its subsidiaries (i.e entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefit) on a line by line basis.

All financial statements are made up to 31 August 2021.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### NOTES TO THE ACCOUNTS (continued)

#### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1. ACCOUNTING POLICIES (continued)

##### **Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the group 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.

##### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

The judgement that the catering equipment provided to the School through a contract with the catering provider effectively a loan and contingent liability (as set out in note 22) rather than a finance lease is considered a significant judgement.

In the view of the Trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

##### **School fees and similar income**

Fees receivable and charges for services and use of premises are accounted for in the period to which they relate, after deducting allowances, scholarships and other remissions granted by the School, but including contributions received from restricted funds.

Fees received for education to be provided in future years are carried forward as deferred income.

##### **Investment income**

Income from investments is accounted for on a receivable basis and includes all relevant tax credits.

##### **Donations, legacies, grants and other voluntary income**

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted income to general funds. Where the donor or an appeal has imposed trust law restrictions, income is credited to the relevant restricted fund.

##### **Government grants**

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

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

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### NOTES TO THE ACCOUNTS (continued)

#### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1. ACCOUNTING POLICIES (continued)

##### **Expenditure**

Expenditure is accrued as soon as a liability from a past event is considered probable. Irrecoverable VAT is included with the item of expense to which it relates. Costs of charitable activities include expenditure associated with the running of the School and include both direct and support costs.

##### **Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, personnel, payroll and governance. Governance costs comprise the costs of complying with constitutional and statutory requirements including strategic planning for its future development, external audit, any legal advice for the School's Trustees, the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

##### **Fixed assets**

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

The land and buildings referred to as Blackburn's Piece have been capitalised in the consolidated balance sheet and the property (excluding land) is being depreciated over a fifty year period.

Expenditure on plant and equipment costing more than £1,000 is capitalised and written off in the Statement of Financial Activities at 20% straight line per annum. Expenditure on solar panels has also been included within plant and equipment but is being written off at 5% straight line per annum. Expenditure on motor vehicles costing more than £1,000 is capitalised in the accounts and is being written off in the Statement of Financial Activities at 20% straight line per annum. All other expenditure is written off in the year in which it is incurred.

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 for the year.

##### **Fixed asset investments**

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

Investments in subsidiaries are valued at cost less provision for impairment.

##### **Stock**

Stock represents goods for resale and is valued at the lower of cost and net realisable value.

##### **Debtors**

Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount it has paid in advance.

##### **Cash and cash equivalents**

Cash and cash equivalents include cash and deposits with a short term maturity of three months or less from the date of opening the deposit account.

## **RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

### **NOTES TO THE ACCOUNTS (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2021**

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#### **Creditors and provisions**

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably, amounts are recognised at their settlement amount.

#### **Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the school and which have not been designated for other purposes.

Designated funds are unrestricted funds of the school that have been set aside by the Trustees for specific purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Endowment funds are retained on trust for the benefit of the school as a capital fund.

#### **Operating leases**

Rents payable under operating leases are charged in the Statement of Financial Activities on a straight-line basis over the period of the lease.

#### **Pension costs**

For eligible employees, the School contributes to the Teachers' Pension Scheme (TPS), a superannuation scheme which provides benefits based on final pensionable pay. The TPS is a multi-employer scheme and the School is unable to identify its share of the underlying assets and liabilities of the scheme. In accordance with FRS 102, the TPS is therefore treated as a defined contribution scheme and the contributions are recognised in the Statement of Financial Activities as they are paid each year.

Support staff may join the Aviva defined contribution group personal pension plan to which employees currently contribute 5% of their total pensionable salaries whilst the School makes a contribution of 3.2%. The contributions are recognised in the Statement of Financial Activities when incurred.

Contributions are also paid to the Methodist Ministers' Pension Scheme in respect of one employee. This is a defined benefit pension scheme, however the scheme position is immaterial to the financial statements and has been treated as a defined contributions scheme.

#### **Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2021**

<b>2. SCHOOL FEES</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Gross fees and charges	4,576,712	5,327,101
Less: Bursaries, allowances and scholarships	(567,818)	(838,041)
<b>Group Total</b>	<u>4,008,894</u>	<u>4,489,060</u>
<b>3. TRADING AND OTHER INCOME</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Rents and lettings	111,467	24,632
Proceeds from the sale of property	1,693,864	228,850
Coronavirus job retention scheme	148,296	319,457
Other income	135,052	66,590
	<u>2,088,679</u>	<u>639,529</u>
<b>4. INVESTMENT INCOME</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Income from investments	<u>14,777</u>	<u>16,144</u>
<b>5. NET MOVEMENT IN FUNDS</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Auditor's remuneration (including value added tax)	18,890	18,821
Depreciation	<u>580,501</u>	<u>219,835</u>
<b>6. STAFF COSTS</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	3,078,169	3,417,938
Social security costs	271,260	310,355
Pension contributions	623,625	714,762
Termination payments	309,581	211,704
	<u>4,282,635</u>	<u>4,654,759</u>
Aggregate employee benefits of key management personnel	<u>612,621</u>	<u>608,682</u>

Key management personnel are considered to be the senior leadership team as set out on the company information page.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2021**

<b>6. STAFF COSTS (continued)</b>	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
The average number of employees during the year was made up as follows:		
Teaching	46	52
Non-teaching	89	112
	<u>135</u>	<u>164</u>
The number of employees whose emoluments exceeded £60,000 per annum were:		
£60,001 - £70,000	1	1
£70,001 - £80,000	-	-
£80,001 - £90,000	-	2
£90,001 - £100,000	1	-
	<u>1</u>	<u>3</u>
<b>7. ANALYSIS OF EXPENDITURE</b>	<b>2021</b>	<b>2020</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Staff costs</b>		
<b>Other</b>		
<b>Depreciation</b>		
	<b>£</b>	<b>£</b>
<b>Costs of raising funds</b>		
Bank interest and fees	-	20,604
<b>Costs of charitable activities</b>		
Teaching costs	3,115,018	236,649
Welfare costs	147,696	511,093
Premises costs	224,393	581,864
Support and governance costs	795,528	329,734
	<u>4,282,635</u>	<u>1,679,944</u>
	<u>580,501</u>	<u>6,543,080</u>
	<u>6,543,080</u>	<u>6,685,216</u>
<b>Comparative period</b>		
	<b>2020</b>	
	<b>Total</b>	
	<b>£</b>	
<b>Staff costs</b>		
<b>Other</b>		
<b>Depreciation</b>		
	<b>£</b>	<b>£</b>
<b>Costs of raising funds</b>		
Bank interest and fees	-	23,787
<b>Costs of charitable activities</b>		
Teaching costs	3,439,789	222,593
Welfare costs	320,811	523,041
Premises costs	240,633	811,868
Support and governance costs	653,526	229,333
	<u>4,654,759</u>	<u>1,810,622</u>
	<u>219,835</u>	<u>6,685,216</u>
	<u>6,685,216</u>	<u>6,685,216</u>
	<b>2021</b>	<b>2020</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Governance included in support costs</b>		
Trustees' expenses	849	234
Audit and accountancy fees	18,980	18,821
	<u>19,829</u>	<u>19,055</u>
	<u>19,829</u>	<u>19,055</u>

RYDAL PENRHOS LIMITED AND SUBSIDIARIES

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

8. TANGIBLE FIXED ASSETS

Group	Land and Buildings £	Property Improvements £	Fixtures and Equipment £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 September 2020	5,549,111	-	1,107,823	101,716	6,758,650
Additions	-	-	45,714	6,694	52,408
Disposals	(1,825,000)	-	-	-	(1,825,000)
Revaluation	21,679,083	-	-	-	21,679,083
Transfers	(233,194)	233,194	-	-	-
At 31 August 2021	25,445,000	233,194	1,153,537	108,410	26,940,141
<b>Depreciation</b>					
At 1 September 2020	2,477,855	-	863,507	59,746	3,401,108
Charge for year	477,848	13,330	76,835	12,488	580,501
Revaluation	(2,486,322)	-	-	-	(2,486,322)
Disposals	(12,191)	-	-	-	(12,191)
Transfers	(33,143)	33,143	-	-	-
At 31 August 2021	424,049	46,473	940,342	72,234	1,483,098
<b>Net book value</b>					
At 31 August 2021	25,020,951	186,721	213,195	36,176	24,457,043
At 31 August 2020	3,071,256	-	244,316	41,970	3,357,542
<b>Company</b>					
<b>Cost</b>					
At 1 September 2020	5,547,111	-	1,107,823	101,716	6,756,650
Additions	-	-	45,714	6,694	52,408
Disposals	(1,550,000)	-	-	-	(1,550,000)
Revaluation	21,679,083	-	-	-	21,679,083
Transfers	(233,194)	233,194	-	-	-
At 31 August 2021	25,443,000	233,194	1,153,537	108,410	26,938,141
<b>Depreciation</b>					
At 1 September 2020	2,477,855	-	863,507	59,746	3,401,108
Charge for year	476,701	13,330	76,835	12,488	579,354
Revaluation	(2,486,322)	-	-	-	(2,486,322)
Disposals	(11,042)	-	-	-	(11,042)
Transfers	(33,143)	33,143	-	-	-
At 31 August 2021	424,049	46,473	940,342	72,234	1,483,098
<b>Net book value</b>					
At 31 August 2021	25,018,951	186,721	213,195	36,176	25,455,043
At 31 August 2020	3,069,256	-	244,316	41,970	3,355,542

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2021**

**8. TANGIBLE FIXED ASSETS (continued)**

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	<b>2021</b>	<b>2020</b>
	£	£
Plant and equipment	50,743	63,428
Motor vehicles	25,203	35,632
	<u>          </u>	<u>          </u>

Included in land and buildings were property improvements which had a net book value at 1 September 2020 of £200,050 and as such were transferred to their own asset class. Therefore the remaining land and buildings with a carrying amount of £2,669,653 at 31 December 2020 were revalued by Stannybrook Property Consultants, Chartered Surveyors. The land and buildings were valued at £27,268,000 as at 31 December 2020 therefore the resulting revaluation totalled £24,440,403. The asset class reflects this by removing the accumulated depreciation of £2,486,322 and uplifting the cost by £21,954,081. Stannybrook Property Consultants are independent valuers, not connected with the School. The valuation was conducted on an open market value basis of vacant possession and available voidspace. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The historic cost of the assets at 31 August 2021 is £4,993,309. If the revaluation policy had not been applied, the carrying value of these assets would have been £2,586,431. The depreciation on the revalued amount for the period was £349,545.

<b>9. INVESTMENTS</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	£	£	£
<b>Group – listed investments</b>			
At 1 September 2020	163,533	11,114	174,647
Revaluation gains	20,838	2,310	23,148
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2021	184,371	13,424	197,795
	<u>          </u>	<u>          </u>	<u>          </u>

The historic cost of the group listed investments held is £161,468 (2020: £161,468).

**Subsidiary undertakings**

The following subsidiaries have been consolidated in these accounts:

**Charities and funds**

Gillian Campbell Trust (1085795)	Charity number: 1085795
Rydal Penrhos (525752)	Charity number: 525752
Rosa Hovey Scholarship Trust	Charity number: N/A Trust

**Trading company**

Rydal Penrhos (Sport & Leisure) Limited	Company number: 03590034
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The registered office for each of the above subsidiaries is: Old House, Pwllcrochan Avenue, Colwyn Bay, Wales, LL29 7BT

**Company**

At 31 August 2021 and 31 August 2020

<b>Subsidiary undertaking</b>
£
2
<u>          </u>

The whole of the issued ordinary share capital of Rydal Penrhos (Sports & Leisure) Limited, a company registered in England and Wales, is held by nominee's on behalf of the School.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2021**

**9. INVESTMENTS (continued)**

A summary of the balance sheet and profit and loss account from the audited financial statements is set out below:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Profit and loss account</b>		
Turnover	-	3,536
Expenditure	-	(5,231)
	<u>-</u>	<u>(1,695)</u>
Net profit/loss before tax and any donation under Gift Aid	<u>-</u>	<u>(1,695)</u>
<b>Balance sheet</b>		
Fixed assets	-	-
Current assets	225	225
	<u>225</u>	<u>225</u>
Current liabilities	-	-
Net Assets	<u>225</u>	<u>225</u>
Share capital	2	2
Profit and loss account	<u>223</u>	<u>223</u>
	<u>225</u>	<u>225</u>

**Company – listed investments:**

	<b>£</b>
<b>Market value</b>	
At 1 September 2020	6,861
Revaluation gains/(loss)	(359)
	<u>6,502</u>
At 31 August 2021	<u>6,502</u>

The historic cost of the investments at 31 August 2021 was £4,129 (2020: £4,129).

**10. STOCKS**

	<b>2021</b>	<b>Group</b>	<b>2021</b>	<b>Company</b>
	<b>£</b>	<b>2020</b>	<b>£</b>	<b>2020</b>
		<b>£</b>		<b>£</b>
Clothing stock	49,000	65,109	49,000	65,109
	<u>49,000</u>	<u>65,109</u>	<u>49,000</u>	<u>65,109</u>

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2021**

<b>11. DEBTORS</b>	<b>2021</b>	<b>Group</b>	<b>2021</b>	<b>Company</b>
	<b>£</b>	<b>2020</b>	<b>£</b>	<b>2020</b>
		<b>£</b>		<b>£</b>
Fees receivable	6,439	63,627	6,439	63,627
Prepayments and accrued income	79,698	55,585	79,698	55,585
Amounts owed from group undertakings	-	-	-	-
Other debtors	2,024	395	1,520	-
	<u>88,161</u>	<u>119,607</u>	<u>87,657</u>	<u>119,212</u>
	<u>88,161</u>	<u>119,607</u>	<u>87,657</u>	<u>119,212</u>
<b>12. CREDITORS: due within one year</b>	<b>2021</b>	<b>Group</b>	<b>2021</b>	<b>Company</b>
	<b>£</b>	<b>2020</b>	<b>£</b>	<b>2020</b>
		<b>£</b>		<b>£</b>
Bank loans (note 14)	46,080	15,360	46,080	15,360
Bank overdraft	-	119,126	-	119,126
Trade creditors	359,500	321,699	359,450	321,648
Fees in advance	303,372	361,909	303,372	361,909
Other taxes and social security costs	218,175	573,947	218,400	574,172
Accruals and deferred income	45,790	257,896	45,790	257,896
Amounts owed to group undertakings	-	-	351,313	367,647
Other creditors	717,823	488,331	717,823	488,331
Finance lease	17,556	25,237	17,556	25,237
	<u>1,708,296</u>	<u>2,163,505</u>	<u>2,059,784</u>	<u>2,531,326</u>
	<u>1,708,296</u>	<u>2,163,505</u>	<u>2,059,784</u>	<u>2,531,326</u>
<b>13. CREDITORS: due after more than one year</b>	<b>2021</b>	<b>Group</b>	<b>2021</b>	<b>Company</b>
	<b>£</b>	<b>2020</b>	<b>£</b>	<b>2020</b>
		<b>£</b>		<b>£</b>
Bank loans (note 14)	103,123	148,535	103,123	148,535
Other creditors	126,032	127,032	126,032	127,032
Finance lease	48,304	69,631	48,304	69,631
	<u>277,459</u>	<u>345,198</u>	<u>277,459</u>	<u>345,198</u>
	<u>277,459</u>	<u>345,198</u>	<u>277,459</u>	<u>345,198</u>
<b>14. MATURITY OF DEBT</b>	<b>2021</b>	<b>Group</b>	<b>2021</b>	<b>Company</b>
	<b>£</b>	<b>2020</b>	<b>£</b>	<b>2020</b>
		<b>£</b>		<b>£</b>
Within one year	46,080	15,360	46,080	15,360
One to two years	46,080	46,080	46,080	46,080
Two to five years	57,043	102,455	57,043	102,455
Over five years	-	-	-	-
	<u>149,203</u>	<u>163,895</u>	<u>149,203</u>	<u>163,895</u>
	<u>149,203</u>	<u>163,895</u>	<u>149,203</u>	<u>163,895</u>

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

#### 15. FINANCIAL INSTRUMENTS

Group	2021 £	2020 £
Financial assets measured at amortised cost	8,463	64,022
Financial assets measured at fair value	197,795	174,647
Financial liabilities measured at amortised cost	(1,939,966)	(1,666,998)
Net financial assets measured at amortised cost	(1,733,708)	(1,428,329)

Financial assets measured at amortised cost comprise fee debtors and other debtors.

Financial assets measured at fair value comprise listed investments and investment property.

Financial liabilities measured at amortised cost include bank loans and overdrafts, trade creditors, other taxes and social security costs and other creditors.

#### 16. PENSION COMMITMENTS

##### Defined Benefit scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £534,177 (2020: £628,829) and at the year-end £533,523 (2020: £311,679) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Contributions from members and the employer are credited to the Exchequer and retirement and other pension benefits are paid by public funds provided by Parliament.

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

##### Other pensions

The employer's contributions paid into the group personal pension plan operated for support staff amounted to £89,448 (2020: £88,816). This included £6,866 which was paid to the Methodist Ministers' Pension Scheme in the year.

The amount outstanding for pension contributions at the year end were £16,378 (2020: £3,664).

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2021**

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

The net assets are held for the various funds as follows:

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Permanent endowment</b>	<b>2021 Total</b>
	£	£	£	£
<b>Group</b>				
Tangible fixed assets	25,457,043	-	-	25,457,043
Investments	184,371	13,424	-	197,795
Net current assets/(liabilities)	(1,605,452)	396,044	5	(1,209,403)
Creditors due after more than one year	(277,459)	-	-	(277,459)
	<u>23,758,503</u>	<u>409,468</u>	<u>5</u>	<u>24,167,976</u>
<b>Company</b>				
Tangible fixed assets	25,455,043	-	-	25,455,043
Investments	6,504	-	-	6,504
Net current assets/ (liabilities)	(1,586,718)	7,522	-	(1,579,196)
Creditors due after more than one year	(277,459)	-	-	(277,459)
	<u>23,597,370</u>	<u>7,522</u>	<u>-</u>	<u>23,604,892</u>

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Permanent endowment</b>	<b>2020 Total</b>
	£	£	£	£
<b>Comparative period</b>				
<b>Group</b>				
Tangible fixed assets	3,357,543	-	-	3,357,543
Investments	163,533	11,114	-	174,647
Net current assets/(liabilities)	(1,789,232)	395,729	5	(1,393,498)
Creditors due after more than one year	(345,198)	-	-	(345,198)
	<u>1,386,646</u>	<u>406,843</u>	<u>5</u>	<u>1,793,494</u>
<b>Company</b>				
Tangible fixed assets	3,355,543	-	-	3,355,543
Investments	6,863	-	-	6,863
Net current assets/ (liabilities)	(1,786,458)	7,522	-	(1,778,936)
Creditors due after more than one year	(345,198)	-	-	(345,198)
	<u>1,230,750</u>	<u>7,522</u>	<u>-</u>	<u>1,238,272</u>

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2021**

**17a. ENDOWED FUNDS**

	At 1 September 2020 £	Income £	Expenditure £	Gains/(losses) £	Transfer £	At 31 August 2021 £
<b>Group</b>						
Permanent capital endowment	£5	-	-	-	-	£5
	=====	=====	=====	=====	=====	=====

	At 1 September 2019 £	Income £	Expenditure £	Gains/(losses) £	Transfer £	At 31 August 2020 £
<b>Group</b>						
Permanent capital endowment	£5	-	-	-	-	£5
	=====	=====	=====	=====	=====	=====

This permanent capital endowment lies within Rydal Penrhos (charity 525752) held for the general purposes of Rydal Penrhos and must be retained within the group.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2021**

**17b. RESTRICTED FUNDS**

	At 1 September 2020	Income	Expenditure	Gains/ (losses)	At 31 August 2021
Group	£	£	£	£	£
Comenius Multilateral School Partnership Grant (Company)	7,522	-	-	-	7,522
Rosa Hovey Scholarship Fund	17,217	315	-	2,310	19,842
Gillian Campbell	382,104	-	-	-	382,104
	<u>406,843</u>	<u>315</u>	<u>-</u>	<u>2,310</u>	<u>409,468</u>
	<u><u>406,843</u></u>	<u><u>315</u></u>	<u><u>-</u></u>	<u><u>2,310</u></u>	<u><u>409,468</u></u>
Comparative period	At 1 September 2019	Income	Expenditure	Gains/ (losses)	At 31 August 2020
Group	£	£	£	£	£
Comenius Multilateral School Partnership Grant (Company)	7,522	-	-	-	7,522
Rosa Hovey Scholarship Fund	16,741	408	(50)	118	17,217
Gillian Campbell	384,554	-	(2,450)	-	382,104
	<u>408,817</u>	<u>408</u>	<u>(2,500)</u>	<u>118</u>	<u>406,843</u>
	<u><u>408,817</u></u>	<u><u>408</u></u>	<u><u>(2,500)</u></u>	<u><u>118</u></u>	<u><u>406,843</u></u>

The Comenius Multilateral School Partnership Grant was given to the School by the EU to carry out 12 visits to partner schools.

The Rosa Hovey Scholarship Trust is used to pay grants to pupils who are leaving the School and wish to continue their education at universities and higher education colleges.

The Gillian Campbell Trust is used to provide assistance with fees and support costs for girls who would otherwise be unable to be or remain students at Rydal Penrhos. Support may also be provided to girls who, on leaving the School, wish to continue studying in a manner approved of by the Trusts' Trustees, but who would, in the opinion of the Trustees, be unable to do so without the help of The Gillian Campbell Trust.

RYDAL PENRHOS LIMITED AND SUBSIDIARIES

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

17c. UNRESTRICTED FUNDS

	At 1 September 2020	Income	Expenditure	Gains/ (losses)	Transfers	At 31 August 2021
Group	£	£	£	£	£	£
<b>General reserve</b>	761,998	6,097,811	(6,444,216)	179	349,545	765,317
<b>Revaluation reserve</b>	-	-	-	22,782,063	(349,545)	22,432,518
<b>Designated funds</b>						
Scholarship and Development (company)	506,866	13,593	(81,066)	(360)	-	439,033
Donald Hughes and Percy Heywood Fund	117,782	632	(17,798)	21,019	-	121,635
Total designated funds	624,648	14,225	(98,864)	20,659	-	560,668
Total unrestricted funds	1,386,646	6,112,036	(6,543,080)	22,802,901	-	23,758,503
	At 1 September 2019	Income	Expenditure	Gains/ (losses)	Transfers	At 31 August 2020
Group	£	£	£	£	£	£
<b>General reserve</b>	2,223,502	5,129,010	(6,613,738)	(7,403)	30,627	761,998
<b>Designated funds</b>						
Scholarship and Development (company)	552,335	15,315	(60,858)	74	-	506,866
Donald Hughes and Percy Heywood Fund	156,529	-	(8,120)	-	(30,627)	117,782
Total designated funds	708,864	15,315	(68,978)	74	(30,627)	624,648
Total unrestricted funds	2,932,366	5,144,325	(6,682,716)	(7,329)	-	1,386,646

The revaluation reserve has arisen from the uplift and subsequent depreciation of land and buildings during the period. In addition, post revaluation properties were disposed of resulting in a reduction in the reserve of £1,658,340. Further details on this revaluation are included in note 8.

The Scholarship and Development Fund is used for grants towards the payment of fees.

Donald Hughes and Percy Heywood Fund is to provide for the needs of students at the School in the provision of grants towards fees and in the provision of sporting and other facilities by the School as considered appropriate by the Trustees.

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

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#### 18. BANKING FACILITIES

##### Bank loans

On 26 August 2007, the School entered into an agreement to borrow up to £600,000 in the form of a loan to finance the construction of a sixth form recreation area within the existing dining hall, and the refurbishment of the Preparatory School. At the balance sheet date the amount owing was £149,203 (2020: £163,895). These facilities are secured by legal mortgages over the land and buildings in which legal ownership vests in the Trustees of the Methodist Secondary Education Trust Deed of 1903 as custodian Trustees at the direction of Rydal Penrhos Limited, as beneficial owners (who are the managing Trustees). A letter of comfort has also been jointly given by the company and the Trustees of the Methodist Secondary Education Trust.

On 24 March 2001, the company together with Rydal Penrhos (Sports & Leisure) Limited entered into an unlimited multilateral guarantee, with the company's bankers.

#### 19. FINANCIAL COMMITMENTS

At 31st August 2021 there were no capital commitments (2020: £nil).

#### 20. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2021 the company had total commitments under non-cancellable operating leases as set out below:-

	Assets other than land & buildings	
	2021	2020
	£	£
<b>Operating leases which expire:</b>		
Within 1 year	109,919	74,686
Within 2 – 5 years	185,556	130,148
	<u>295,475</u>	<u>204,834</u>

#### 21. RELATED PARTY TRANSACTIONS

Transactions and balances between the School and the various subsidiaries are eliminated on consolidation.

A minibus was leased by Rydal Penrhos (Sports & Leisure) Limited to Rydal Penrhos Limited for a period of five years until January 2020 at an annual charge of £Nil (2020: £3,535). In addition there was a management charge to Rydal Penrhos (Sport and Leisure) Limited of £Nil (2020: £3,380).

The balance due to Rydal Penrhos (Sports & Leisure) Limited at 31 August 2021 was £Nil (2020: £Nil)

Trustees are volunteers and are not remunerated, however, Trustees' expenses totalling £849 (2020: £234) for travel and accommodation have been reimbursed.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2021**

**22. CONTINGENT LIABILITY**

The School's catering provider invested £500,000 in equipment in 2019 for use over the contract period. The agreement contains a clause requiring the School to repay the unamortised amount of this investment if the agreement is terminated over the contract period. At the year end the contingent obligation would have been £325,000 plus VAT.

**23. COMPARATIVE CONSOLIDATED SOFA**

	Unrestricted Funds £	Restricted Funds £	Permanent endowment £	2020 Total £
<b>INCOME FROM:</b>				
<b>Charitable activities:</b>				
School fees	4,489,060	-	-	4,489,060
<b>Trading and other activities:</b>				
Lettings income	24,632	-	-	24,632
Other income	614,897	-	-	614,897
<b>Investments</b>				
Investment income	17,736	408	-	16,144
<b>Total income</b>	<u>5,144,325</u>	<u>408</u>	<u>-</u>	<u>5,144,733</u>
<b>EXPENDITURE ON:</b>				
<b>Raising funds:</b>				
Finance costs	23,787	-	-	23,787
<b>Charitable activities:</b>				
Teaching costs	3,662,382	-	-	3,662,382
Welfare costs	843,852	-	-	843,852
Premises costs	1,272,336	-	-	1,272,336
Support and governance costs	880,359	2,500	-	882,859
<b>Total expenditure</b>	<u>6,682,716</u>	<u>2,500</u>	<u>-</u>	<u>6,685,216</u>
<b>Net (expenditure) before investment gains</b>	(1,538,391)	(2,092)	-	(1,540,483)
Net gains on investments	(7,329)	118	-	(7,211)
<b>Net movement in funds</b>	(1,545,720)	(1,974)	-	(1,547,694)
<b>Reconciliation of funds:</b>				
Total funds brought forward	<u>2,932,366</u>	<u>408,817</u>	<u>5</u>	<u>3,341,188</u>
<b>Total funds carried forward</b>	<u><u>1,386,646</u></u>	<u><u>406,843</u></u>	<u><u>5</u></u>	<u><u>1,793,494</u></u>

**RYDAL PENRHOS LIMITED**

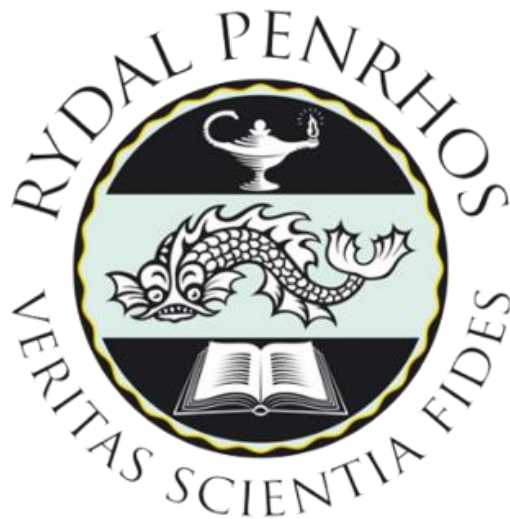
England & Wales - Charity number 1063489

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# Accounts

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**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED**  
**31 AUGUST 2020**



**COMPANY REGISTRATION NUMBER: 3294434**  
**CHARITY NUMBER: 1063489**

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### COMPANY INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2020

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<b>Incorporation</b>	19 December 1996
<b>Company registration number</b>	3294434
<b>Charity number</b>	1063489
<b>Trustees</b>	Mr J Barnes Mr JP Burgess - <i>F</i> Dr D Fazey - <i>EP</i> Mr M Gilman (Appointed 7 May 2020) Mr D Humphreys Mrs D McKinnel Mr B Park (Appointed 7 May 2020) Mr J C Salisbury (Appointed 17 December 2019) Mrs BAM Watson <i>EPT</i> The Revd Dr S Wigley Mr JMA Wilford - <i>A</i> Mr IM Williams - <i>F</i> Dr N Bickerton - <i>EPA</i> (Resigned 7 May 2020) Mr J Payne – <i>A</i> (Resigned 31 August 2020) Mrs Lucy Davies (Resigned 19 September 2019) Mr N Grenfell-Marten - <i>F</i> (Resigned 20 April 2020) Dr H M Abdelsalam (Resigned 25 August 2020)

#### Key of Committee Membership

- *Finance & Estates - F*
- *Educational - E*
- *Personnel - P*
- *Audit & Risk - A*
- *Trusts – T*

The Trustees of the Rosa Hovey Scholarship Trust consist of a committee of the Head and three Trustees.  
The Rydal Penrhos Scholarship and Development Fund is under the direct control of the Trustees.

<b>Head/Principal</b>	JE Waszek
<b>Company Secretary</b>	H Filbee
<b>Key Management Personnel</b>	JE Waszek - Principal SA Harding - Head of Senior School L Davies - Head of Prep School A Thomas – Assistant Head R Williams – Assistant Head P Sutton – Deputy Head H Filbee – Head of Finance N Sissons – Chaplain A Hind – Head of Pastoral Care
<b>Registered Office</b>	Old House, Pwllcrochan Avenue Colwyn Bay, Wales, LL29 7BT
<b>Bankers</b>	National Westminster Bank plc. Union Street, Chester, CH1 1UA

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**COMPANY INFORMATION AND TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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<b>Solicitors</b>	Pothecary Witham Weld 70 St Georges Square, London, SW1V 3RD
<b>Auditors</b>	McLintocks (NW) Limited 2 Hilliards Court, Chester, CH4 9PX

The Trustees (who are also the directors for the purposes of company law) submit their report and the accounts for the year ended 31 August 2020.

**Structure, governance and management**  
**Constitution**

The company is limited by guarantee and has no share capital. Every member of the company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year of ceasing to be a member, for debts and liabilities of the company contracted before he or she ceased to be a member, such amount as may be required not exceeding £10.

The governance and objects of the School are as laid down in the Articles of Association and Memorandum of Association which incorporates the provisions of the Methodist Secondary Education Trust Deed 1903, as subsequently amended.

**Trustee body**

A list of Trustees of the charity who served during the year and since the year end at 31 August 2020 is shown on the company information page.

Trustees are appointed for a term of five years and may stand for re-election. Conference nominated Trustees are appointed for three years. The Trustee body meets a minimum of four times a year and delegates responsibility to sub-committees as necessary.

The Board seeks to have a broad range of business, professional and educational skills; Trustees receive induction training and are encouraged to participate in regular training in their areas of particular interest.

**Organisational Management**

The Trustees determine the general policy and strategy of the School; the implementation of strategy and the management of the School is delegated to the Head and the Bursar, supported by Senior Leadership Team who together form the key management personnel.

Remuneration amounts are set by the Board and reviewed annually including reference to comparisons with other independent schools. The policy objective is ensuring appropriate incentives to encourage enhanced performance and, in a fair and responsible manner, rewarding for individual contributions to the School's success. The Board appoints the Principal, the Head of Finance and the Chaplain.

**Related Entities**

Details of related entities are incorporated within the related party transactions note to the accounts.

## **RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **Ethos, aims and objectives**

Rydal Penrhos seeks to benefit the public through the pursuit of its stated aims 'to advance education and learning'. The Trustees have given due consideration to the Charity Commission's general guidance on public benefit. The School welcomes pupils from all backgrounds; to admit a prospective pupil the School must be satisfied that the School will be able to educate and develop that pupil to the optimum of his or her potential and in line with the general standards achieved by their peers. The Methodist foundation of the School is important to its identity and the way it promotes pupils' attitudes and responsibilities to each other and society at large.

Key objectives for the year were:

- To improve the financial operation of the School by focussing the impact of expenditure on pupil outcomes. Also by simplifying the School fee structure and seeking to restrain fee increase through improvements in efficiency.
- To enhance the quality of teaching and learning. This to be achieved by a strong focus on in service training and performance management for teaching and support staff.
- To further improve academic performance. The results in the School are already of a high standard compared with the National Average, however, we feel that we should always strive to be better than the previous year and therefore set targets for the Heads of Faculty. Our Value Added as reported by Centre for Evaluation and Monitoring, CEM, is very high, particularly in GCSE and we often achieve scores commensurate with being in the top 5% of Schools in the country. It is at 'A' Level where we would like to improve further as it is often at this level where the achievements of GCSE are hard to follow. Excellent teaching is one of the keys to improving pupil numbers.
- To improve the School's relationship with all stakeholders, especially pupils/ parents. Staff and alumni. This to be achieved by appropriate two-way communication including regular questionnaires and functions such as parental dinners.
- To expedite the development of the School's estate. This to be achieved through the sale of redundant assets for reinvestment.
- To improve significantly the professionalism and performance of all support functions including finance, HR and communications/marketing.

#### **STRATEGIC REPORT**

##### **Review of Operational Performance of the School**

##### **Academic**

Rydal Penrhos School pupils continued to thrive, underpinned by a strong supportive community spirit. Pupils achieved excellent results, from the youngest Pre-Prep children to 18-year-old 'A' level. The wide range of co-curricular activities, much valued by pupils and parents, saw outstanding personal attainment at local, regional and national levels.

##### **GCSEs:**

All GCSE Mathematics candidates from Year 10 scored results graded 7, 8 and 9 (equivalent to the former A\* and A grades), and this a year ahead of their peers.

Our (I)GCSE candidates in Year 11 achieved a 98.4% pass rate (at grades 4 - 9, A\* - C), with a mean number of passes per candidate of 9.1. Amongst the 4 subjects still graded under the former A\* to G system, A\* was by far the most frequently-scored grade; with regard to the 17 subjects with the new numerical grades, the combined total of grades 9, 8 and 7 (equivalent to the former A\* and A) represented nearly half of the total grades awarded in these subjects.

## **RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

### **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **Academic (continued)**

GCSEs (continued):

The Value Added scores for these results is even more noteworthy, as almost all subjects had positive value added and some subjects added as much as 2 grades per subject on prediction.

'A' Levels:

The 'A' Level pass rate was 100% of which 74.2% of these grades were at A\*, A and B, and 89.9% from A\* to C inclusive. This was however a very good cohort and we must be aware that all year groups differ and we must therefore try to maintain these high standard.

#### **Extra-Curricular Activities**

The School recognises the importance of a balanced curriculum and opportunities to develop interests and skills beyond the classroom; music, drama and sport play an important part of School life and participation is encouraged at all levels and ages, so developing wider interests and team spirit and resilience. Sport continues to play a valuable part in School life and the School's enviable location enables pupils to enjoy sailing, golf and outdoor activities such as the Duke of Edinburgh's Award scheme as well as traditional team sports. Areas such as the Speech and Drama programme and Music tutoring improve confidence and self-esteem.

There has been an increased emphasis this year on improving the Academic offering on the extra-curricular programme, this has included such things as Model United Nations, Young Enterprises, Debating Society, the Scientific Society and combining the ever-increasing digital age with activities including the Coding Club. The prep School's curriculum continued to develop, embracing new ideas and ways of teaching particularly in the areas of Science, and the facilities continue to enable pupils to develop new skills and to become more aware of the environment around them. A diverse range of activities are available to all age groups and focus on everything from Outdoor Education, Sport, Music, Drama, Crafts.

#### **Community Service**

The School continues to play an important part in the local community; pupils provide support to local events and raise funds for many good causes.

Local schools benefit from using the School's astroturf pitch and other sports facilities free of charge as well as participating in sports tournaments hosted by Rydal Penrhos.

The School's place in the local community has been more prevalent than ever over the last 12 months during the coronavirus pandemic. Many outreach systems were launched by the School to assist in an uncertain time. The School opened its boarding accommodation for keyworkers who were unable to go home during the pandemic. The Design Technology department also produced thousands of PPE masks for care homes across the region, with some pupils even doing the same from home.

The School remained open for pupils of keyworker children and during the first lockdown period, those in the community were also able to access the essential service. Pupils and staff have also taken part in a large number of fundraising activities for worthy causes both regionally and nationally in school hours and during their own time.

## **RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **Scholarships and bursaries**

The Trustees view the School's bursary awards as important in helping to ensure that children from families who would not otherwise afford the fees can access education offered by the School. The School aims to develop exceptional talent, to widen participation and demonstrate public benefit and this is supported by the provision of scholarships and bursaries for senior pupils.

Bursaries are available to those who meet the entry requirements on the basis of parental means or relief of hardship. In assessing means the School takes a number of factors into consideration including income, investments, savings and circumstances. Details of bursaries, allowances and scholarships can be found in note 2.

#### **Financial review and future plans**

It had been planned that both income and expenditure would fall during 2019 – 2020 as the transition from a boarding/day school to a day school accelerated.

A fall in income of circa £1.5million due to Project Bold was accompanied by a fall in expenditure of circa £1.4 million.

However, the impact of Covid-19 was significant and had an estimated net negative impact of circa £900k.

The 2018 – 19 year had been bolstered by property sales of £1m and so the net deterioration in income of circa £3.2 million was only partly offset by expenditure reductions of £1.4 million.

The rationalisation of resources, especially the disposal of redundant buildings and further staffing reductions related to the cessation of boarding will continue through 2020 – 2021 and we anticipate the school returning to an operating cash surplus during late 2022 as all the structural changes are complete.

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

The investment powers are governed by the Memorandum & Articles of Association that permits the funds of the School and its subsidiary charities to be invested in any investment or security as the charity may think fit. Investments are held under the management of the TMCP and Investec, which provides investment advice.

#### **Reserves**

Total reserves of the group at 31 August 2020 were £1.793m (2019: £3.341m), with unrestricted funds of £1.386m (2019: £2.932m) which includes designated funds of £0.625m (2019: £0.709m). At 31 August 2020 the group had restricted funds of £0.407m (2019: £0.409m) and a permanent endowment of £5 (2019: £5). Further details of the restricted and designated funds are given in note 18.

The Trustees regard 'free' reserves as being the reserves of the School after deducting fixed assets not covered by specific bank financing and investments held to generate income for the various Trust funds. On the basis described there is a deficit of free reserves of £1.978m (2019: £1.2m). Similar to many other independent schools, the School has invested heavily in fixed assets which have resulted in this deficit.

The need for day-to-day working capital is met by careful management of short-term liquid resources.

The policy is to reduce the level of free reserves deficit from annual operating surpluses, subject to the prior demands of further capital expenditure to equip the School with the up-to-date facilities needed to maintain the standard of educational services currently provided.

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### TRUSTEES' REPORT

#### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Fixed assets

Post year end, in December 2020 the Trustees obtained an independent valuation of the property portfolio. The value of 30 properties exceeded £27m and a number of properties have since been sold.

The treatment of fixed assets is described in note 1 to the accounts.

#### Staff

The School employs suitably qualified staff and encourages further training through regular in service training and external courses.

The Trustees wish to thank the staff for their dedication and commitment in helping the School achieve its charitable objectives.

#### Risk management and principal risks and uncertainties

The Governing Body is responsible for the management of the risks faced by the School, and a formal review of the risk management processes is undertaken regularly.

The main risks that the Trustees have identified and the plans to manage those risks are:

- **Reputation** – the School's success is built on its reputation for the education and wellbeing of our pupils.

This risk is managed through safeguarding policies, providing a broad and attractive curriculum, staff recruitment policies, pastoral support for both pupils and staff and management of health and safety matters.

- **Financial viability** – our ability to operate is reliant on the prompt receipt of fee income based on stable pupil numbers and effective management of costs.

This risk is managed by marketing activity to maintain and expand pupil numbers, maximising pupil retention, maintaining a reputation for academic excellence and active cash flow management.

The Trustees are satisfied that the major risks identified have been adequately mitigated as far as possible.

It is the Board's policy that key controls should include:

- Formal agendas for all Board and Committee meetings
- Detailed terms of reference for all Committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of children

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

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#### Statement of Trustees' Responsibilities

The Trustees (who are also directors of Rydal Penrhos Limited for the purposes of company law) are responsible for preparing the Trustees' Report (including the group director's and strategic report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 (FRS 102);
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

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

#### Disclosure of information to auditors

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

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

#### Auditors

McLintocks (NW) Limited were appointed as auditor to the group and parent charitable company in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

This report, incorporating the group strategic report, was approved by the Trustees, in their capacity as company directors, on 25<sup>th</sup> May 2021 and signed on their behalf by:



.....  
**Julian Barnes**  
**Chairman**

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF RYDAL PENRHOS LIMITED**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Opinion**

We have audited the financial statements of Rydal Penrhos Limited (the 'charitable parent company') and its subsidiaries ('the group') for for the year ended 31 August 2020 which comprise comprise the group statement of financial activities, the group balance sheet, the charitable company balance sheet, the group statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2020 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The other information comprises the information included in the annual report set, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF RYDAL PENRHOS LIMITED**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

- the information given in the Trustees' Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included in the Trustees' Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

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

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

**Responsibilities of Trustees**

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

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

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
RYDAL PENRHOS LIMITED (continued)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Michael Caputo FCA (Senior Statutory Auditor)  
For and on behalf of McLintocks (NW) Limited**

25<sup>th</sup> May 2021

**Chartered Accountants  
Statutory Auditor**

2 Hilliards Court  
Chester Business Park  
Chester  
Cheshire  
CH4 9PX

**Notes:**

1. The maintenance and integrity of Rydal Penrhos Limited's website is the responsibility of the Trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	Unrestricted Funds £	Restricted Funds £	Permanent endowment £	2020 Total £	2019 Total £
<b>INCOME FROM:</b>						
<b>Charitable activities:</b>						
School fees	2	4,489,060	-	-	4,489,060	6,974,003
<b>Trading and other activities:</b>						
Lettings income	3	24,632	-	-	24,632	148,711
Other income	3	614,897	-	-	614,897	1,077,839
<b>Investments</b>						
Investment income	4	15,736	408	-	16,144	9,446
<b>Total income</b>		<u>5,144,325</u>	<u>408</u>	<u>-</u>	<u>5,144,733</u>	<u>8,209,999</u>
<b>EXPENDITURE ON:</b>						
<b>Raising funds:</b>						
Finance costs		23,787	-	-	23,787	10,176
<b>Charitable activities:</b>						
Teaching costs		3,662,382	-	-	3,662,382	3,703,607
Welfare costs		843,852	-	-	843,852	1,280,042
Premises costs		1,272,336	-	-	1,272,336	1,799,406
Support and governance costs		880,359	2,500	-	882,859	1,272,311
<b>Total expenditure</b>	7	<u>6,682,716</u>	<u>2,500</u>	<u>-</u>	<u>6,685,216</u>	<u>8,065,542</u>
<b>Net (expenditure) before investment gains</b>		(1,538,391)	(2,092)	-	(1,540,483)	144,457
Net gains/(losses) on investments	9	(7,329)	118	-	(7,211)	(46,126)
<b>Net movement in funds</b>		<u>(1,545,720)</u>	<u>(1,974)</u>	<u>-</u>	<u>(1,547,694)</u>	<u>98,331</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward		2,932,366	408,817	5	3,341,188	3,242,857
<b>Total funds carried forward</b>		<u><b>1,386,646</b></u>	<u><b>406,843</b></u>	<u><b>5</b></u>	<u><b>1,793,494</b></u>	<u><b>3,341,188</b></u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure is derived from continuing activities.

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

The notes on pages 14 to 30 form part of these financial statements.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**Company Number: 3294434**

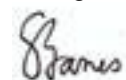
**BALANCE SHEETS**

**AS AT 31 AUGUST 2020**

	Notes	Consolidated		Company	
		2020 £	2019 £	2020 £	2019 £
<b>Fixed assets</b>					
Tangible assets	8	3,357,543	3,430,246	3,355,543	3,426,828
Investments	9	174,647	212,976	6,859	6,783
Investment in subsidiary	9	-	-	2	2
		<u>3,532,190</u>	<u>3,643,222</u>	<u>3,362,404</u>	<u>3,433,613</u>
<b>Current assets</b>					
Stocks	11	65,109	88,501	65,109	88,501
Debtors	12	119,607	749,833	119,212	824,882
Cash at bank and in hand		585,291	710,477	568,071	693,288
		<u>770,007</u>	<u>1,548,811</u>	<u>752,392</u>	<u>1,606,671</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(2,163,505)</u>	<u>(1,709,611)</u>	<u>(2,531,326)</u>	<u>(2,093,751)</u>
<b>Net current liabilities</b>		<u>(1,393,498)</u>	<u>(160,800)</u>	<u>(1,778,934)</u>	<u>(487,080)</u>
<b>Total assets less current liabilities</b>		2,138,692	3,482,422	1,583,470	2,946,533
<b>Creditors: amounts falling due after more than one year</b>	14	<u>(345,198)</u>	<u>(141,234)</u>	<u>(345,198)</u>	<u>(141,234)</u>
<b>Total net assets</b>		<u><u>1,793,494</u></u>	<u><u>3,341,188</u></u>	<u><u>1,238,272</u></u>	<u><u>2,805,299</u></u>
<b>Capital</b>					
Permanent endowment	18	5	5	-	-
<b>Income</b>					
Restricted funds	18	406,843	408,817	7,522	7,522
Unrestricted funds:					
General reserve	18	761,998	2,223,502	723,884	2,245,442
Designated funds	18	624,648	708,864	506,866	552,335
<b>Total funds</b>		<u><u>1,793,494</u></u>	<u><u>3,341,188</u></u>	<u><u>1,238,272</u></u>	<u><u>2,805,299</u></u>

As permitted by s408 Companies Act 2006, the charitable company has not presented its own statement of financial activities and related notes. The charitable company's deficit for the year was £1,567,027 (2019: surplus £705,215).

These financial statements were approved by the Trustees and authorised for issue on 25<sup>th</sup> May 2021 and are signed on their behalf by:



**Julian Barnes**  
**Chairman**

The notes on pages 14 to 30 form part of these financial statements.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**CONSOLIDATED CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 AUGUST 2020**

	2020		2019	
	£	£	£	£
<b>Reconciliation of net expenditure to net cash flow from operating activities:</b>				
Net income/(expenditure) before investment gains/(losses)	(1,540,483)		144,457	
Depreciation charges	219,835		268,909	
Interest paid	23,787		10,176	
Investment income	(16,146)		(9,446)	
(Increase)/decrease in debtors	630,226		(466,765)	
Increase/(decrease) in creditors	562,153		(984,152)	
(Increase)/decrease in stock	23,392		(7,736)	
Profit on sale of property	-		390,000	
	<u>                    </u>		<u>                    </u>	
<b>Net cash provided from operations</b>		<b>(97,236)</b>		<b>(654,557)</b>
<b>Net cash flow from investing activities:</b>				
Investment income	16,146		9,446	
Purchase of tangible fixed assets	(152,534)		(79,206)	
Proceeds from sale of investments	31,118		631,014	
Net proceeds from sale of tangible assets	5,400		99,256	
	<u>                    </u>		<u>                    </u>	
<b>Cash provided from/(used in) investing activities</b>		<b>(99,870)</b>		<b>660,510</b>
<b>Cash flows from financing activities:</b>				
Bank loan repayments	(23,419)		(42,302)	
Interest paid	(23,787)		(10,176)	
	<u>                    </u>		<u>                    </u>	
<b>Net cash (used in) financing</b>		<b>(47,206)</b>		<b>(52,478)</b>
<b>Increase in cash and cash equivalents</b>		<b>(244,312)</b>		<b>(46,525)</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>710,477</b>		<b>757,002</b>
Cash and cash equivalents at the end of the period		<u><b>466,165</b></u>		<u><b>710,477</b></u>
		<u><u>                    </u></u>		<u><u>                    </u></u>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>				
		<b>2020</b>		<b>2019</b>
		<b>£</b>		<b>£</b>
Cash in hand and at bank		585,291		710,477
Bank overdraft		(119,126)		-
		<u>                    </u>		<u>                    </u>
		<u><b>466,165</b></u>		<u><b>710,477</b></u>
		<u><u>                    </u></u>		<u><u>                    </u></u>

# RYDAL PENRHOS LIMITED AND SUBSIDIARIES

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 1. ACCOUNTING POLICIES

##### **Charity information**

Rydal Penrhos is a charitable company limited by guarantee incorporated in England and Wales and registered with the Charity Commission. Rydal Penrhos Limited was incorporated on 19 December 1996 (company number: 3294434) and registered as a charity on 17 July 1997 (charity number: 1063489). The registered office is Old House, Pwllcrochan Avenue, Colwyn Bay, Wales, LL29 7BT.

The group consists of Rydal Penrhos Limited and all of its subsidiaries.

The Charitable Company's financial statements have been prepared in compliance with the Charities SORP (FRS 102) issued 1 January 2015 (update bulletin 2, effective 1 January 2019).

##### **Legal Status**

The members of the company are the Trustees. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

##### **Accounting convention**

The financial statements have been prepared in accordance with the charity'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 (FRS 102) (as amended for accounting periods commencing 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102. The financial statements are prepared in sterling, which is the functional currency of the charity. 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 certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The charitable company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The School has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

##### **Basis of consolidation**

The consolidated financial statements incorporate those of Rydal Penrhos Limited and all of its subsidiaries (i.e entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefit) on a line by line basis.

All financial statements are made up to 31 August 2020.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

**1. ACCOUNTING POLICIES (continued)**

**Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, despite the COVID-19 global pandemic, current year loss incurred and the net liability position. As a result management and the Trustees are realigning their strategy to meet the demands of the ever changing environment. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

The judgement that the catering equipment provided to the School through a contract with Holroyde Howes effectively a loan and contingent liability (as set out in note 23) rather than a finance lease is considered a significant judgement.

In the view of the Trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

**School fees and similar income**

Fees receivable and charges for services and use of premises are accounted for in the period to which they relate, after deducting allowances, scholarships and other remissions granted by the School, but including contributions received from restricted funds.

Fees received for education to be provided in future years are carried forward as deferred income.

**Investment income**

Income from investments is accounted for on a receivable basis and includes all relevant tax credits.

**Donations, legacies, grants and other voluntary income**

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted income to general funds. Where the donor or an appeal has imposed trust law restrictions, income is credited to the relevant restricted fund.

**Government grants**

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

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

## **RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

### **NOTES TO THE ACCOUNTS (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **1. ACCOUNTING POLICIES (continued)**

##### **Expenditure**

Expenditure is accrued as soon as a liability from a past event is considered probable. Irrecoverable VAT is included with the item of expense to which it relates. Costs of charitable activities include expenditure associated with the running of the School and include both direct and support costs.

##### **Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, personnel, payroll and governance. Governance costs comprise the costs of complying with constitutional and statutory requirements including strategic planning for its future development, external audit, any legal advice for the School's Trustees, the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

##### **Fixed assets**

There are no accurate records available of the historic costs of the group's land and buildings and other assets. As a result the Trustees have had all land and building revalued post year end.

Costs incurred since 1999 on both the Phase I and Phase II development of the School's land and buildings have been capitalised and are being written off in the Statement of Financial Activities over a forty year period from the date the assets became operational. In addition, the costs of developing two properties so that they may be used for boarding accommodation have been capitalised and are also being written off in the Statement of Financial Activities over a forty year period from the date the assets became operational. This includes the cost of buildings constructed on freehold sites in the name of the Trustees for Methodist Church Purposes and these are being depreciated over a forty year period. Trustees of the Methodist Secondary Education Trust Deed of 1903 are custodian Trustees at the direction of Rydal Penrhos Limited, as beneficial owners (who are the managing Trustees).

The land and buildings referred to as Hovey House and Blackburn's Piece have been capitalised in the consolidated balance sheet and the property (excluding land) is being depreciated over a fifty year period.

Expenditure on plant and equipment costing more than £1,000 is capitalised and written off in the Statement of Financial Activities at 20% straight line per annum. Expenditure on solar panels has also been included within plant and equipment but is being written off at 5% straight line per annum. Expenditure on motor vehicles costing more than £1,000 is capitalised in the accounts and is being written off in the Statement of Financial Activities at 20% straight line per annum. All other expenditure is written off in the year in which it is incurred.

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 for the year.

##### **Fixed asset investments**

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

Investments in subsidiaries are valued at cost less provision for impairment.

##### **Stock**

Stock represents goods for resale and is valued at the lower of cost and net realisable value.

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### NOTES TO THE ACCOUNTS (continued)

#### FOR THE YEAR ENDED 31 AUGUST 2020

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##### **Debtors**

Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount it has paid in advance.

##### **Cash and cash equivalents**

Cash and cash equivalents include cash and deposits with a short term maturity of three months or less from the date of opening the deposit account.

##### **Creditors and provisions**

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably, amounts are recognised at their settlement amount.

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are unrestricted funds of the charity that have been set aside by the Trustees for specific purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Endowment funds are retained on trust for the benefit of the charity as a capital fund.

##### **Operating leases**

Rents payable under operating leases are charged in the Statement of Financial Activities on a straight-line basis over the period of the lease.

##### **Pension costs**

For eligible employees, the School contributes to the Teachers' Pension Scheme (TPS), a superannuation scheme which provides benefits based on final pensionable pay. The TPS is a multi-employer scheme and the School is unable to identify its share of the underlying assets and liabilities of the scheme. In accordance with FRS 102, the TPS is therefore treated as a defined contribution scheme and the contributions are recognised in the Statement of Financial Activities as they are paid each year.

Support staff may join the Aviva defined contribution group personal pension plan to which employees currently contribute 5% of their total pensionable salaries whilst the School makes a contribution of 3.2%. The contributions are recognised in the Statement of Financial Activities when incurred.

Contributions are also paid to the Methodist Ministers' Pension Scheme in respect of one employee. This is a defined benefit pension scheme, however the scheme position is highly immaterial to the financial statements and has been treated as a defined contributions scheme.

##### **Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

<b>2. SCHOOL FEES</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Gross fees and charges	5,327,101	8,484,667
Less: Bursaries, allowances and scholarships	(838,041)	(1,510,664)
<b>Group Total</b>	<u>4,489,060</u>	<u>6,974,003</u>
<b>3. TRADING AND OTHER INCOME</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Rents and lettings	24,632	148,711
Proceeds from the sale of property	228,850	1,077,839
Coronavirus job retention scheme	319,457	-
Other income	66,590	-
	<u>639,529</u>	<u>1,226,550</u>
<b>4. INVESTMENT INCOME</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Income from investments	16,144	9,446
	<u>16,144</u>	<u>9,446</u>
<b>5. NET MOVEMENT IN FUNDS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Auditor's remuneration (including value added tax)	18,821	17,975
Depreciation	219,835	268,909
	<u>238,656</u>	<u>286,884</u>
<b>6. STAFF COSTS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	3,417,938	3,941,253
Social security costs	310,355	373,372
Pension contributions	714,762	374,743
Termination payments	211,704	159,049
	<u>4,654,759</u>	<u>4,848,417</u>
Aggregate employee benefits of key management personnel	<u>608,682</u>	<u>566,577</u>

Key management personnel are considered to be the senior leadership team as set out on the company information page.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

<b>6. STAFF COSTS (continued)</b>	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
The average number of employees during the year was made up as follows:		
Teaching	52	54
Non-teaching	112	113
	<u>164</u>	<u>167</u>

The number of employees whose emoluments exceeded £60,000 per annum were:

£60,001 - £70,000	1	1
£70,001 - £80,000	-	1
£80,001 - £90,000	2	1
£90,001 - £100,000	-	1
	<u>3</u>	<u>4</u>

<b>7. ANALYSIS OF EXPENDITURE</b>				<b>2020</b>	<b>2019</b>
	<b>Staff costs</b>	<b>Other</b>	<b>Depreciation</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Costs of raising funds</b>					
Bank interest and fees	-	23,787	-	23,787	10,176
<b>Costs of charitable activities</b>					
Teaching costs	3,439,789	222,593	-	3,662,382	3,703,607
Welfare costs	320,811	523,041	-	843,852	1,280,042
Premises costs	240,633	811,868	219,835	1,272,336	1,799,406
Support and governance costs	653,526	229,333	-	882,859	1,272,311
	<u>4,654,759</u>	<u>1,810,622</u>	<u>219,835</u>	<u>6,685,216</u>	<u>8,065,542</u>

<b>Comparative period</b>				<b>2019</b>
	<b>Staff costs</b>	<b>Other</b>	<b>Depreciation</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Costs of raising funds</b>				
Bank interest and fees	-	10,176	-	10,176
<b>Costs of charitable activities</b>				
Teaching costs	3,576,208	127,399	-	3,703,607
Welfare costs	416,912	863,130	-	1,280,042
Premises costs	228,578	1,301,919	268,909	1,799,406
Support and governance costs	626,719	645,592	-	1,272,311
	<u>4,848,417</u>	<u>2,948,216</u>	<u>268,909</u>	<u>8,065,542</u>

	<b>2020</b>	<b>2019</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Governance included in support costs</b>		
Trustees' expenses	234	3,924
Audit and accountancy fees	18,821	27,772
	<u>19,055</u>	<u>31,696</u>

RYDAL PENRHOS LIMITED AND SUBSIDIARIES

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

8. TANGIBLE FIXED ASSETS

Group	Land and Buildings £	Fixtures and Equipment £	Motor Vehicles £	Total £
<b>Cost</b>				
At 1 September 2019	5,549,112	1,006,845	102,835	6,658,792
Additions	-	106,378	46,156	152,534
Disposals	-	(5,400)	(47,275)	(52,675)
At 31 August 2020	5,549,112	1,107,823	101,716	6,758,651
<b>Depreciation</b>				
At 1 September 2019	2,331,677	801,083	95,786	3,228,546
Charge for year	146,178	62,424	11,235	219,837
Disposals	-	-	(47,275)	(47,275)
At 31 August 2020	2,477,855	863,507	59,746	3,401,108
<b>Net book value</b>				
At 31 August 2020	3,071,257	244,316	41,970	3,357,543
At 31 August 2019	3,217,435	205,762	7,049	3,430,246
<b>Company</b>				
<b>Cost</b>				
At 1 September 2019	5,547,111	1,006,845	71,550	6,625,506
Additions	-	106,378	46,156	152,534
Disposals	-	(5,400)	(15,990)	(21,390)
At 31 August 2020	5,547,111	1,107,823	101,716	6,756,650
<b>Depreciation</b>				
At 1 September 2019	2,331,676	801,083	65,919	3,198,678
Charge for year	146,178	62,424	9,817	218,419
Disposals	-	-	(15,990)	(15,990)
At 31 August 2020	2,477,854	863,507	59,746	3,401,107
<b>Net book value</b>				
At 31 August 2020	3,069,257	244,316	41,970	3,355,543
At 31 August 2019	3,215,435	205,762	5,631	3,426,828

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2020 £	2019 £
Plant and equipment	63,428	-
Motor vehicles	35,632	-

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

<b>9. INVESTMENTS</b>	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>Total £</b>
<b>Group – listed investments</b>			
At 1 September 2019	201,980	10,996	212,976
Disposals	(31,118)	-	(31,118)
Revaluation gains/(loss)	(7,329)	118	(7,211)
	<u>163,533</u>	<u>11,114</u>	<u>174,647</u>
At 31 August 2020	<u><u>163,533</u></u>	<u><u>11,114</u></u>	<u><u>174,647</u></u>

The historic cost of the group listed investments held is £161,468 (2019: £171,455).

**Subsidiary undertakings**

The following subsidiaries have been consolidated in these accounts:

**Charities and funds**

Gillian Campbell Trust (1085795)	Charity number: 1085795
Rydal Penrhos (525752)	Charity number: 525752
Rosa Hovey Scholarship Trust	Charity number: N/A Trust

**Trading company**

Rydal Penrhos (Sport & Leisure) Limited	Company number: 03590034
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The registered office for each of the above subsidiaries is: Old House, Pwllcrochan Avenue, Colwyn Bay, Wales, LL29 7BT

**Company**

At 31 August 2020 and 31 August 2019

**Subsidiary  
undertaking  
£**  
2

The whole of the issued ordinary share capital of Rydal Penrhos (Sports & Leisure) Limited, a company registered in England and Wales, is held by nominee's on behalf of the School.

A summary of the balance sheet and profit and loss account from the audited financial statements is set out below:

	<b>2020 £</b>	<b>2019 £</b>
<b>Profit and loss account</b>		
Turnover	3,536	7,000
Expenditure	(5,231)	(4,826)
	<u>(1,695)</u>	<u>2,174</u>
<b>Balance sheet</b>		
Fixed assets	-	1,416
Current assets	225	3,286
	<u>225</u>	<u>4,702</u>
Current liabilities	-	(2,782)
Net Assets	225	1,920
	<u>2</u>	<u>2</u>
Share capital	2	2
Profit and loss account	223	1,918
	<u>225</u>	<u>1,920</u>

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**9. INVESTMENTS (continued)**

**Company – listed investments:**

	£
<b>Market value</b>	
At 1 September 2019	6,785
Revaluation gains/(loss)	76
	<u>6,861</u>
At 31 August 2020	<u><u>6,861</u></u>

The historic cost of the investments at 31 August 2020 was £4,129 (2019: £4,129).

**10. INVESTMENT PROPERTY**

	2020 £	Group 2019 £	2020 £	Company 2019 £
<b>Market value</b>				
At 1 September 2019	-	390,000	-	-
Transfer from tangible fixed assets	-	-	-	-
Revaluation gains	-	-	-	-
Disposals	-	(390,000)	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 August 2020	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

**11. STOCKS**

	2020 £	Group 2019 £	2020 £	Company 2019 £
Clothing stock	65,109	88,501	65,109	88,501
	<u>65,109</u>	<u>88,501</u>	<u>65,109</u>	<u>88,501</u>
	<u><u>65,109</u></u>	<u><u>88,501</u></u>	<u><u>65,109</u></u>	<u><u>88,501</u></u>

**12. DEBTORS**

	2020 £	Group 2019 £	2020 £	Company 2019 £
Fees receivable	63,627	86,556	63,627	86,556
Prepayments and accrued income	55,585	640,522	55,585	640,522
Amounts owed from group undertakings	-	-	-	78,837
Other debtors	395	22,755	-	18,967
	<u>119,607</u>	<u>749,833</u>	<u>119,212</u>	<u>824,882</u>
	<u><u>119,607</u></u>	<u><u>749,833</u></u>	<u><u>119,212</u></u>	<u><u>824,882</u></u>

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

13. CREDITORS: due within one year	2020	Group	2020	Company
	£	2019	£	2019
Bank loans (note 15)	15,360	46,080	15,360	46,080
Bank overdraft	119,126	-	119,126	-
Trade creditors	321,699	451,757	321,648	451,755
Fees in advance	361,909	583,080	361,909	583,080
Other taxes and social security costs	573,947	90,262	574,172	89,480
Accruals and deferred income	257,896	119,488	257,896	113,241
Amounts owed to group undertakings	-	-	367,647	391,171
Other creditors	488,331	418,944	488,331	418,944
Finance lease	25,237	-	25,237	-
	<u>2,163,505</u>	<u>1,709,611</u>	<u>2,531,326</u>	<u>2,093,751</u>
<b>14. CREDITORS: due after more than one year</b>	<b>2020</b>	<b>Group</b>	<b>2020</b>	<b>Company</b>
	£	2019	£	2019
Bank loans (note 15)	148,535	141,234	148,535	141,234
Other creditors	127,032	-	127,032	-
Finance lease	69,631	-	69,631	-
	<u>345,198</u>	<u>141,234</u>	<u>345,198</u>	<u>141,234</u>
<b>15. MATURITY OF DEBT</b>	<b>2020</b>	<b>Group</b>	<b>2020</b>	<b>Company</b>
	£	2019	£	2019
Within one year	15,360	46,080	15,360	46,080
One to two years	46,080	46,080	46,080	46,080
Two to five years	102,455	95,154	102,455	95,154
Over five years	-	-	-	-
	<u>163,895</u>	<u>187,314</u>	<u>163,895</u>	<u>187,314</u>

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

#### 16. FINANCIAL INSTRUMENTS

Group	2020 £	2019 £
Financial assets measured at amortised cost	64,022	109,311
Financial assets measured at fair value	174,647	212,976
Financial liabilities measured at amortised cost	(1,666,998)	(1,148,277)
Net financial assets measured at amortised cost	(1,428,329)	(825,990)

Financial assets measured at amortised cost comprise fee debtors and other debtors.

Financial asset measured at fair value comprise listed investments and investment property.

Financial liabilities measured at amortised cost include bank loans and overdrafts, trade creditors, other taxes and social security costs and other creditors.

#### 17. PENSION COMMITMENTS

##### Defined Benefit scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £628,829 (2019: £508,480) and at the year-end £311,679 (2019: £39,626) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Contributions from members and the employer are credited to the Exchequer and retirement and other pension benefits are paid by public funds provided by Parliament.

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

##### Other pensions

The employer's contributions paid into the group personal pension plan operated for support staff amounted to £88,816 (2019: £93,686). £9,573 was paid to the Methodist Ministers' Pension Scheme in the year.

The amount outstanding for pension contributions at the year end were £3,664 (2019: £9,827).

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

The net assets are held for the various funds as follows:

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Permanent endowment £</b>	<b>2020 Total £</b>
<b>Group</b>				
Tangible fixed assets	3,357,543	-	-	3,357,543
Investments	163,533	11,114	-	174,647
Net current assets/(liabilities)	(1,789,232)	395,729	5	(1,393,498)
Creditors due after more than one year	(345,198)	-	-	(345,198)
	<u>1,386,646</u>	<u>406,843</u>	<u>5</u>	<u>1,793,494</u>
<b>Company</b>				
Tangible fixed assets	3,355,543	-	-	3,355,543
Investments	6,863	-	-	6,863
Net current assets/ (liabilities)	(1,754,323)	7,522	-	(1,778,936)
Creditors due after more than one year	(345,198)	-	-	(345,198)
	<u>1,262,885</u>	<u>7,522</u>	<u>-</u>	<u>1,238,272</u>
<b>Comparative period</b>				
	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Permanent endowment £</b>	<b>2019 Total £</b>
<b>Group</b>				
Tangible fixed assets	3,430,246	-	-	3,430,246
Investments	201,980	10,996	-	212,976
Net current assets/(liabilities)	(558,626)	397,821	5	(160,800)
Creditors due after more than one year	(141,234)	-	-	(141,234)
	<u>2,932,366</u>	<u>408,817</u>	<u>5</u>	<u>3,341,188</u>
<b>Company</b>				
Tangible fixed assets	3,426,828	-	-	3,426,828
Investments	6,787	-	-	6,787
Net current assets/ (liabilities)	(494,604)	7,522	-	(487,082)
Creditors due after more than one year	(141,234)	-	-	(141,234)
	<u>2,797,777</u>	<u>7,522</u>	<u>-</u>	<u>2,805,299</u>

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**18a. ENDOWED FUNDS**

	At 1 September 2019 £	Income £	Expenditure £	Gains/(losses) £	Transfer £	At 31 August 2020 £
<b>Group</b>						
Permanent capital endowment	£5	-	-	-	-	£5
	=====	=====	=====	=====	=====	=====

	At 1 September 2018 £	Income £	Expenditure £	Gains/(losses) £	Transfer £	At 31 August 2019 £
<b>Group</b>						
Permanent capital endowment	£5	-	-	-	-	£5
	=====	=====	=====	=====	=====	=====

This permanent capital endowment lies within Rydal Penrhos (charity 525752) held for the general purposes of Rydal Penrhos and must be retained within the group.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**18b. RESTRICTED FUNDS**

	At 1 September 2019	Income	Expenditure	Gains/ (losses)	At 31 August 2020
Group	£	£	£	£	£
Comenius Multilateral School Partnership Grant (Company)	7,522	-	-	-	7,522
Rosa Hovey Scholarship Fund	16,741	408	(50)	118	17,217
Gillian Campbell	384,554	-	(2,450)	-	382,104
	<u>408,817</u>	<u>408</u>	<u>(2,500)</u>	<u>118</u>	<u>406,843</u>
	<u><u>408,817</u></u>	<u><u>408</u></u>	<u><u>(2,500)</u></u>	<u><u>118</u></u>	<u><u>406,843</u></u>
Comparative period	At 1 September 2018	Income	Expenditure	Gains/ (losses)	At 31 August 2019
Group	£	£	£	£	£
Comenius Multilateral School Partnership Grant (Company)	7,522	-	-	-	7,522
Rosa Hovey Scholarship Fund	16,356	435	(50)	-	16,741
Gillian Campbell	452,075	3,300	(29,982)	(40,839)	384,554
	<u>475,953</u>	<u>3,735</u>	<u>(30,032)</u>	<u>(40,839)</u>	<u>408,817</u>
	<u><u>475,953</u></u>	<u><u>3,735</u></u>	<u><u>(30,032)</u></u>	<u><u>(40,839)</u></u>	<u><u>408,817</u></u>

The Comenius Multilateral School Partnership Grant was given to the School by the EU to carry out 12 visits to partner schools.

The Rosa Hovey Scholarship Trust is used to pay grants to pupils who are leaving the School and wish to continue their education at universities and higher education colleges.

The Gillian Campbell Trust is used to provide assistance with fees and support costs for girls who would otherwise be unable to be or remain students at Rydal Penrhos. Support may also be provided to girls who, on leaving the School, wish to continue studying in a manner approved of by the Trusts's Trustees, but who would, in the opinion of the Trustees, be unable to do so without the help of The Gillian Campbell Trust.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**18c. UNRESTRICTED FUNDS**

	At 1 September 2019	Income	Expenditure	Gains/ (losses)	Transfers	At 31 August 2020
Group	£	£	£	£	£	£
<b>General reserve</b>	2,223,502	5,129,010	(6,613,738)	(7,403)	30,627	761,998
<b>Designated funds</b>						
Scholarship and Development (company)	552,335	15,315	(60,858)	74	-	506,866
Donald Hughes and Percy Heywood Fund	156,529	-	(8,120)	-	(30,627)	117,782
Total designated funds	708,864	15,315	(68,978)	74	(30,627)	624,648
Total unrestricted funds	2,932,366	5,144,325	(6,682,716)	(7,329)	-	1,386,646
<b>At 1 September 2018</b>						
Group	£	£	£	£	£	£
<b>General reserve</b>	1,741,161	8,804,093	(8,322,385)	633	-	2,223,502
<b>Designated funds</b>						
Scholarship and Development (company)	718,875	3,317	(163,937)	(5,920)	-	552,335
Donald Hughes and Percy Heywood Fund	306,863	-	(150,334)	-	-	156,529
Total designated funds	1,025,738	3,317	(314,271)	(5,920)	-	708,864
Total unrestricted funds	2,766,899	8,807,410	(8,636,656)	(5,287)	-	2,932,366

The Scholarship and Development Fund is used for grants towards the payment of fees.

Donald Hughes and Percy Heywood Fund is to provide for the needs of students at the School in the provision of grants towards fees and in the provision of sporting and other facilities by the School as considered appropriate by the Trustees.

## RYDAL PENRHOS LIMITED AND SUBSIDIARIES

### NOTES TO THE ACCOUNTS (continued)

#### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 19. BANKING FACILITIES

##### Bank loans

On 26 August 2007, the School entered into an agreement to borrow up to £600,000 in the form of a loan to finance the construction of a sixth form recreation area within the existing dining hall, and the refurbishment of the Preparatory School. At the balance sheet date the amount owing was £163,895 (2019: £187,314). These facilities are secured by legal mortgages over the land and buildings in which legal ownership vests in the Trustees of the Methodist Secondary Education Trust Deed of 1903 as custodian Trustees at the direction of Rydal Penrhos Limited, as beneficial owners (who are the managing Trustees). A letter of comfort has also been jointly given by the company and the Trustees of the Methodist Secondary Education Trust.

On 24 March 2001, the company together with Rydal Penrhos (Sports & Leisure) Limited entered into an unlimited multilateral guarantee, with the company's bankers.

#### 20. FINANCIAL COMMITMENTS

At 31st August 2020 there were no capital commitments (2019: £nil).

#### 21. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2020 the company had total commitments under non-cancellable operating leases as set out below:-

	Assets other than land & buildings	
	2020	2019
	£	£
<b>Operating leases which expire:</b>		
Within 1 year	74,686	7,344
Within 2 – 5 years	130,148	12,314
	<u>204,834</u>	<u>19,658</u>

#### 22. RELATED PARTY TRANSACTIONS

Transactions and balances between the School and the various subsidiaries are eliminated on consolidation.

A minibus was leased by Rydal Penrhos (Sports & Leisure) Limited to Rydal Penrhos Limited for a period of five years until January 2020 at an annual charge of £3,535 (2019: £7,000). In addition this year there was a management charge to Rydal Penrhos (Sport and Leisure) Limited of £3,380 (2019: £Nil).

The balance due to Rydal Penrhos (Sports & Leisure) Limited at 31 August 2020 was £Nil (2019: £3,286)

Trustees are volunteers and are not remunerated, however, Trustees' expenses totalling £234 (2019: £3,924) for travel and accommodation have been reimbursed.

Lucy Davies resigned as a Trustee on 19 September 2019 as she took up full time employment with the School as Head of Prep effective 1 September 2019.

**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**23. CONTINGENT LIABILITY**

The School's catering provider invested £500,000 in equipment in 2019 for use over the contract period. The agreement contains a clause requiring the School to repay the unamortised amount of this investment if the agreement is terminated over the contract period. At the year end the contingent obligation would have been £375,000 plus VAT.

**24. COMPARATIVE CONSOLIDATED SOFA**

	Unrestricted Funds £	Restricted Funds £	Permanent endowment £	2019 Total £
<b>INCOME FROM:</b>				
<b>Charitable activities:</b>				
School fees	6,974,003	-	-	6,974,003
<b>Trading and other activities:</b>				
Lettings income	148,711	-	-	148,711
Other income	1,077,839	-	-	1,077,839
<b>Investments</b>				
Investment income	5,441	3,735	-	9,176
Bank and other interest	270	-	-	270
<b>Voluntary income:</b>				
Grants and donations	-	-	-	-
<b>Total income</b>	<u>8,206,264</u>	<u>3,735</u>	<u>-</u>	<u>8,209,999</u>
<b>EXPENDITURE ON:</b>				
<b>Raising funds:</b>				
Finance costs	10,176		-	10,176
<b>Charitable activities:</b>				
Teaching costs	3,673,575	30,032	-	3,703,607
Welfare costs	1,280,042	-	-	1,280,042
Premises costs	1,799,406	-	-	1,799,406
Support and governance costs	1,272,311	-	-	1,272,311
<b>Total expenditure</b>	<u>8,035,510</u>	<u>30,032</u>	<u>-</u>	<u>8,065,542</u>
<b>Net (expenditure) before investment gains</b>	170,754	(26,297)	-	144,457
Net gains on investments	(5,287)	(40,839)	-	(46,126)
<b>Net movement in funds before transfers</b>	165,467	(67,136)	-	98,331
Transfers between funds	-	-	-	-
<b>Net movement in funds</b>	165,467	(67,136)	-	98,331
<b>Reconciliation of funds:</b>				
Total funds brought forward	2,766,899	475,953	5	3,242,857
<b>Total funds carried forward</b>	<u><u>2,932,366</u></u>	<u><u>408,817</u></u>	<u><u>5</u></u>	<u><u>3,341,188</u></u>