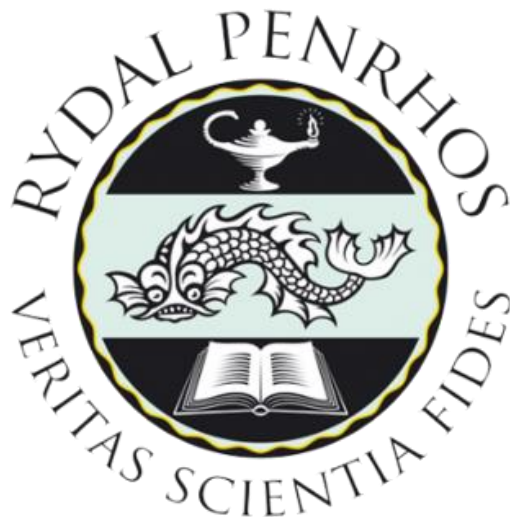


**RYDAL PENRHOS LIMITED AND SUBSIDIARIES**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED**  
**31 AUGUST 2021**



**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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**Incorporation** 19 December 1996

**Company registration number** 3294434

**Charity number** 1063489

**Trustees**

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.

**Head/Principal** JE Waszek

**Company Secretary** H Filbee

**Key Management Personnel**

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)

**Registered Office** Old House, Pwllcrochan Avenue  
Colwyn Bay, Wales, LL29 7BT

**Bankers** 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** Potheary 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 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 upmost 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.
- 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

**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 the year ended 31 August 2021 which 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 Xeinaadin 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><b>23,758,503</b></u>	<u><b>409,468</b></u>	<u><b>5</b></u>	<u><b>24,167,976</b></u>	<u><b>1,793,494</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 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:</b> amounts falling due within one year	12	(1,708,296)	(2,163,505)	(2,059,784)	(2,531,326)
<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:</b> amounts falling due after more than one year	13	(277,459)	(345,198)	(277,459)	(345,198)
<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>		(1,354,372)		(97,236)
<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>		1,285,235		(99,870)
<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>		(35,296)		(47,206)
<b>Increase in cash and cash equivalents</b>		(104,433)		(244,312)
<b>Cash and cash equivalents at beginning of the period</b>		466,165		710,477
<b>Cash and cash equivalents at the end of the period</b>		<b>361,732</b>		<b>466,165</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		<b>2021</b>		<b>2020</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.

**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

**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.

**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>	<b>4,008,894</b>	<b>4,489,060</b>
<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
	<b>2,088,679</b>	<b>639,529</b>
<b>4. INVESTMENT INCOME</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Income from investments	14,777	16,144
<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	580,501	219,835
<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
	<b>4,282,635</b>	<b>4,654,759</b>
Aggregate employee benefits of key management personnel	<b>612,621</b>	<b>608,682</b>

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**

**6. STAFF COSTS (continued)**

	<b>2021 Number</b>	<b>2020 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>

**7. ANALYSIS OF EXPENDITURE**

	<b>Staff costs £</b>	<b>Other £</b>	<b>Depreciation £</b>	<b>2021 Total £</b>	<b>2020 Total £</b>
<b>Costs of raising funds</b>					
Bank interest and fees	-	20,604	-	20,604	23,787
<b>Costs of charitable activities</b>					
Teaching costs	3,115,018	236,649	-	3,351,667	3,662,382
Welfare costs	147,696	511,093	-	658,789	843,852
Premises costs	224,393	581,864	580,501	1,386,758	1,272,336
Support and governance costs	795,528	329,734	-	1,125,262	882,859
	<u>4,282,635</u>	<u>1,679,944</u>	<u>580,501</u>	<u>6,543,080</u>	<u>6,685,216</u>

**Comparative period**

	<b>Staff costs £</b>	<b>Other £</b>	<b>Depreciation £</b>	<b>2020 Total £</b>
<b>Costs of raising funds</b>				
Bank interest and fees	-	23,787	-	23,787
<b>Costs of charitable activities</b>				
Teaching costs	3,439,789	222,593	-	3,662,382
Welfare costs	320,811	523,041	-	843,852
Premises costs	240,633	811,868	219,835	1,272,336
Support and governance costs	653,526	229,333	-	882,859
	<u>4,654,759</u>	<u>1,810,622</u>	<u>219,835</u>	<u>6,685,216</u>

	<b>2021 Total £</b>	<b>2020 Total £</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>

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.

	2021 £	2020 £
Plant and equipment	50,743	63,428
Motor vehicles	25,203	35,632

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.

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

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

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.

# 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:

	2021	2020
	£	£
<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	-	(1,695)
	<u>-</u>	<u>-</u>
<b>Balance sheet</b>		
Fixed assets	-	-
Current assets	225	225
	<u>225</u>	<u>225</u>
Current liabilities	-	-
Net Assets	225	225
	<u>225</u>	<u>225</u>
Share capital	2	2
Profit and loss account	223	223
	<u>225</u>	<u>225</u>

#### Company – listed investments:

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

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

#### 10. STOCKS

	2021	Group	2021	Company
	£	2020	£	2020
		£		£
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**

**11. DEBTORS**

	<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>

**12. CREDITORS: due within one year**

	<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>

**13. CREDITORS: due after more than one year**

	<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>

**14. MATURITY OF DEBT**

	<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>

# 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>Comparative period</b>	<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)	(1,786,458)	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**

	<b>At 1 September 2020</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/ (losses)</b>	<b>At 31 August 2021</b>
<b>Group</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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>
<b>Comparative period</b>	<b>At 1 September 2019</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/ (losses)</b>	<b>At 31 August 2020</b>
<b>Group</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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>

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 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
<b>Comparative period</b>	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:-

	<b>Assets other than land &amp; buildings</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<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	2,932,366	408,817	5	3,341,188
<b>Total funds carried forward</b>	<u>1,386,646</u>	<u>406,843</u>	<u>5</u>	<u>1,793,494</u>