

Charity Registration No. 01076456

Company Registration No. 03779971 (England and Wales)

ARDINGLY COLLEGE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020

ARDINGLY COLLEGE LIMITED

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ARDINGLY COLLEGE LIMITED

COMPANY INFORMATION

DIRECTORS AND ADVISORS

Directors	R Haynes Brown (Chairman) J Armstrong S Bradshaw S L Champkin G W Dixon M Dixon D H T Johnson-Poensgen S Kay L E Lindsay E Martin J Martin K E C Sweeney
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Secretary	S Koziarski
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Charity No.	1076456
Company No.	03779971

Principal Address and Registered Office	Ardingly College College Road Ardingly Haywards Heath West Sussex RH17 6SQ
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Key Management Personnel	
- Head of College	B A Figgis
- Head of Senior School	J Johnson
- Head of Prep School	H Hastings
- Director of Finance and Resources	T Trotter

Auditor	RSM UK Audit LLP Portland 25 High Street Crawley West Sussex RH10 1BG
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ARDINGLY COLLEGE LIMITED

COMPANY INFORMATION

Bankers

Lloyds Bank plc
Haywards Heath Branch
99-101 South Road
Haywards Heath
West Sussex
RH16 4ND

Solicitors

Knights Solicitors
Eagle Tower
Montpellier Drive
Cheltenham
Gloucestershire
GL50 1TA

Insurance Brokers

Marsh Insurance Broker Limited
4 Milton Road
Haywards Heath
West Sussex
RH16 1AH

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2020

The directors present their report and financial statements (including the Directors' and Strategic Reports) for the year ended 31st August 2020 and confirm they comply with the requirements of the Companies Act 2006 and the Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Report Standard applicable in the UK and Republic of Ireland (FRS 102) effective January 2019.

REFERENCE AND ADMINISTRATIVE INFORMATION

The charity was formed in 1858 and is registered with the Charity Commission as charity number 1076456. The charity is a limited liability company and wholly owned subsidiary of The Woodard Corporation (charity number 1096270). The charitable company is incorporated in the United Kingdom. Directors of the Company are also Fellows (members) of the Woodard Corporation and participate in the election of its board of management and are committed to its charitable objects.

Note 32 provides details of connected charities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Company is governed by Articles of Association as adopted by Special Resolution dated 20th March 2013, replacing those dated 6 July 2005 amended by Special Resolution dated 25 January 2006. They permit funds to be managed in such a manner as the directors see fit, provided that such powers are only exercised for the purposes of attaining the objects and in a manner which is legally charitable. The Articles of Association forbid the distribution of any property or funds, which are to be applied solely towards the promotion of the objects of the company.

Governing Body

The Governors are the directors and charitable trustees of the company and comprise the governing body of Ardingly College and are elected to hold office for five years. The College is governed by the governing body which operates using a number of committees. Membership of each committee is outlined on page 21. The governing body met three times during the year.

Recruitment and Training of Governors

All Governors are Corporate Fellows of the Woodard Corporation. Corporate Fellows are responsible for electing the Woodard Corporation Board. Governors are recruited on the basis of nominations from school contacts and from selection when a post becomes available. The governing body look to ensure a mix of skills and select new governors on the basis of background, competence, specialist skills and, in the case of Fellows, Christian commitment. Governors are provided with induction training by the Head, Director of Finance & Resources, Clerk to the Governors and staff and a wider programme of training events is organised by the Woodard Corporation. The school also encourages governors to attend events run by the Association of Governing Bodies of Independent Schools (AGBIS).

Where possible the Governors consider that the skills and experience of the Council should comprise the following: accountancy, financial management, risk management, investments, marketing, PR/advertising, HR/training, IT strategy, education, charity governance, fundraising, planning, construction, health & safety, legal and safeguarding.

One Governor may have one or more of these skills.

Volunteers

Governors are volunteers providing their time for free to support the governance of the school. The school also relies on a number of others to undertake volunteer roles including School Friends Association members; Classroom support; Solar Car assistance and extra-curricular clubs e.g. fencing, karate and yoga.

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT (*incorporating the Strategic Report*) **YEAR ENDED 31ST AUGUST 2020**

Organisational Management

The College is governed by the governing body (Council) which delegates work to a number of committees. Membership of each committee is outlined on page 21. The Governors, who are also the directors, determine the general policy of the company.

Finance & General Purposes Committee – the Committee meets routinely once a term, approximately two weeks in advance of the main Council meeting, and additionally as required. The main aim of this Committee, whose members are drawn from the Council and have experience of financial matters, is to review the financial aspects of the College's business in detail and to make recommendations to Council for formal endorsement. The Finance & General Purposes Committee makes recommendations to Council on budget, borrowing, salaries and capital projects. The Committee met seven times during the year.

Estates Committee – the Estates Committee acts on the authority of the Council in a monitoring and advisory role; their findings and recommendations being reported to the Council for ratification or further discussion, specifically in relation to strategy, capital projects, maintenance, finance, compliance and IT. The Committee met three times during the year.

Education Committee – the role of the Education Committee (EC) is to monitor the provision and development of all aspects of education in the College including admissions. The EC will be involved in devising, recommending, approving and reviewing policies but it is not part of the management and therefore not responsible for the implementation of policy and other aspects of the day to day administration of the College. Comprising Governors, the Head and other members of staff, the EC serves as an interface between the staff and Council to which it is responsible. The items to be discussed are agreed between the Chair of the Committee and the Head following consultation with other members of the Committee. Its brief is to monitor the College's academic performance, guide the Senior Management Team, be aware of national changes in education and monitor the College's extra-curricular provision, admissions model and compliance with ISI. The Committee met three times during the year.

Development Committee – the Council delegates the duties, responsibilities and decision-making powers relating to the College's development activities to the Development Committee. The following are the principal duties and responsibilities of the Committee: to generate non-core revenues; oversee all fundraising; determine fundraising objectives; and oversee and draft business plans for new Council approved ventures. The Committee will comprise such individuals as can be expected to effectively and successfully discharge this function based on personal experience, appetite and commitment to the interests of the College. The Committee met twice during the year. The format and purpose of the Development Committee will change in 2020-21, and therefore no further meetings are proposed.

Nominations Committee – The Nominations Committee has been established as a sub-committee of the Council to take responsibility for ensuring the members of College Council have the skill set and experience required to ensure appropriate governance of all College activities. The Nominations Committee will meet as required but at least annually.

In addition to the formal structure, individual Governors are allocated key areas of responsibility: Safeguarding, Health & Safety, Compliance, Boarding, ICT and Pre Prep.

The key personnel are defined as those who attend full Council meetings: The Head of the College, the Director of Finance and Resources, the Head of Prep and Pre Prep and the Head of the Senior School. The day to day management of the company is delegated to the Head and the Director of Finance and Resources as the key management personnel, overseeing educational, pastoral and administrative functions in consultation with the senior staff. The day to day administration is undertaken within the policies and procedures approved by the Governors which provide for only significant expenditure decisions and major capital projects to be referred to the Governors for prior approval.

The Head oversees the recruitment of all educational staff, whilst under delegated authority the Director of Finance and Resources oversees the recruitment of administrative and non-teaching support staff.

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DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2020

The remuneration of key management personnel (noted on page 1) is set by Council, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the College's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the College remains sensitive to the broader issues of pay and employment conditions elsewhere.

The College aims to recruit the best staff and is also keen to target newly qualified graduates and trainees to support through their career development. Delivery of the College's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

Group Structure and Relationships

The College has two wholly owned non-charitable subsidiaries: Ardingly Projects Limited and Ardingly College International Limited. The activities and trading of the subsidiaries are described below. Note 32 provides details of connected charities.

The College has developed links with a wide range of organisations to ensure the widest possible access to our facilities and education. Through membership of HMC, IAPS, AGBIS and ISBA and through networking with peer groups we ensure that we are able to attain the highest standards of quality and performance. We encourage our pupils to develop an awareness of the social context of the all-round education they receive at the College and they are engaged in a number of activities to enhance their understanding.

We aim for the College's relationship with its alumni (Old Ardinians) to be a strong and positive lifelong partnership. We achieve this through a dedicated communications programme, a wide range of events, and positive opportunities to get involved with the life of the College today and inspire the next generation of Old Ardinians.

CHARITABLE OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The charity's objects, as set out in the Articles of Association, are to promote and extend education (including spiritual, moral, social, cultural and physical education) in accordance with the doctrines and principles of the Church. The Church is defined as being the Church of England and churches in full communion with the See of Canterbury.

Intended Impact

An Ardingly College education is to prepare every student to develop the skills they need to become successful citizens in a global world. This is delivered both in the curriculum and off curriculum with a focused World Ready week held annually in June. The diversity of the student body also celebrates this ethos with over 35 different nationalities enjoying an Ardingly education. The world ready message is also communicated in the College's advertising and marketing materials.

Aims

Our aim is to provide an excellent 21st century education by being a forward-thinking and high-achieving co-educational school with a strong academic focus, excellent student support and a global outlook.

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2020

Primary objectives

1. Enable every student to develop intellectual enquiry, an enthusiasm for life and sense of service through which to gain confidence and fulfilment.
2. Provide consistently excellent and exciting teaching and learning.
3. Maximise academic results so that students achieve their full potential in examined qualifications.
4. Offer varied and stimulating experiences that help to prepare students for the next stage of their education and the world beyond.
5. Develop our staff to enhance the quality of their work and professional fulfilment.
6. Promote the wellbeing of every girl and boy through personalised support and engagement with parents as partners in their children's education.
7. Enable all students to find and develop their talents in sport, the performing and creative arts and the activities programme.
8. Develop our facilities to support first class education and enhance the College's traditional setting with contemporary features.
9. Provide excellent day and boarding facilities in a vibrant and caring community for girls and boys.
10. Be an educational community founded on Christian values.

Strategies to achieve the primary objectives

1. Resource the school to provide a broad and relevant academic curriculum that leads to qualifications in GCSEs, A Levels, IB Diploma and BTECs.
2. Provision of additional subjects in GCSE curriculum: Sociology and Global Perspectives.
3. Microsoft surface devices provided for all students in years 9-13 to develop teaching and learning through technology, content sharing and collaborative learning.
4. Investment in Science and Technology facilities to provide an excellent physical environment for teaching of STEM subjects, plus new appointment of Director of Science and Technology.
5. Coordination of academic curriculum, teaching and management through years 7-11.
6. Creation of a College Management Team to coordinate management and decision making across the College.

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DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2020

Principal Activities of the Year

The principal activity of the school is the delivery of education to pupils ranging from 2 to 18 years of age. We also run a number of summer school activities and the school is open at other times for use by the local community. Pupil numbers at the school during the year were as follows:

	2019/2020		2018/2019	
Senior School	602	(307 boarders)	580	(291 boarders)
Preparatory School	315	(38 boarders)	301	(52 boarders)
Pre-Preparatory School	78		72	
Total	<u>995</u>		<u>953</u>	

	2019/2020		2018/2019	
	Boys	Girls	Boys	Girls
Senior School	336	266	326	254
Preparatory School	166	149	164	137
Pre-Preparatory School	38	40	39	33
Total	<u>540</u>	<u>455</u>	<u>529</u>	<u>424</u>

Pupil numbers are presented excluding Pre-Nursery and Nursery pupils.

Public Benefit

Within its objects, the school aims to create an environment to nurture children, to get the best from them and to allow them to develop and fulfil their potential. We provide them with a first-class independent education and a wide range of sporting and artistic opportunities. Our public benefit aim is that all pupils will be self-confident and desire to contribute to the wider community.

In the furtherance of these aims the Ardingly College governors, as the charity trustees, have complied with the duty in s.17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

Our school welcomes pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our school will be able to educate and develop a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes.

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DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2020

Bursaries & Scholarships

Bursaries

The Governing Body is committed to broadening access to the College by offering mean-tested financial support to eligible parents. Bursaries are available to children who have been awarded a scholarship and who need additional funds to support the payment of school fees. Financial assistance may also be provided to families experiencing an unexpected drop in financial resources, for example in the case of redundancy. Short term 'bridging bursaries' have been provided on a means-tested basis to support a number of families who have suffered this year as a result of the pandemic.

The funds made available to support bursaries are generated from the trading companies involved in the letting of College facilities and international educational consultancy, as well as development income generated through fundraising. The College is mindful that it must ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards. As such, the College has a duty to make sure that bursaries are awarded to families with demonstrable need. In assessing means, we use the methodology promulgated by the Independent Schools' Bursars Association, which takes a number of factors into consideration including family income, investments, savings, and family circumstances, for example dependant relatives and the number of siblings.

Bursaries range from 5% to 100% remission of fees. We also have a hardship fund that supplements bursary awards to pay for co-curricular activities, equipment and school trips. Information about fee assistance through bursaries is provided to all applying to the College. Further details regarding bursaries is available on our website.

This year the value of means tested bursaries totalled £423,500 and represented 2% of our gross fees. They aided 46 of our pupils. 21 of which benefited from transformational means-tested bursaries of 50% plus. Of these, 15 students benefited from a bursary of between 50% - 75% remission of fees and a further 6 students of between 75-100%. The value of bridging bursaries was £37,151 and aided 16 pupils.

Scholarships

The purpose of our scholarship awards is to recognise high academic potential or the ability to excel in our co-curricular activities. Our scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to our co-curricular activities. In addition, awards may be subject to conditions imposed by the original donor.

Scholarships are awarded with a fixed remission of fees of between 5% and 75%. Where further assistance is required, scholarship awards may be supplemented by a means tested bursary. Details of our scholarship policy are available on our website.

The school awarded scholarships to 294 pupils, based on their educational merit and potential, totalling £924,883 and representing 4.3% of our gross fees. Of this number, 46 also qualified for means-tested bursary support and are included in the figures relating to bursary awards.

The progress of pupils receiving scholarships is reviewed at least annually to ensure their progress is in line with their abilities. No scholarships were withdrawn in the year as a result of reviews. The availability of all such awards for fee-assistance, together with the terms and conditions for each kind of award, is advertised on our website at www.ardingly.com.

All criteria and policies relating to concessions are kept under review and are updated when necessary.

Employment Policy

The College is committed to the principle of equal opportunities in employment and in equal pay for work of the same or similar nature or work of equal value. The College declares its opposition to discrimination or any form of less favourable treatment or financial reward, whether through direct or indirect discrimination, harassment, victimisation or segregation accorded to employees or job applicants, on the grounds of the following **Protected Characteristics**: age, sex, marriage and civil

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partnerships, gender reassignment, race including colour, nationality ethnic or national origin, religion or beliefs, political opinions, marital/parental status, sexual orientation, disability, pregnancy, maternity, part-time or fixed-term employment.

Investment Policy and Objectives

The company's memorandum and articles of association permit funds to be invested in such manner as the directors see fit, providing that advice has been obtained from a financial expert and providing that such powers of investment consider the suitability of investments and the need for diversification.

STRATEGIC REPORT

Impact of Coronavirus Pandemic

Schools were ordered to close to all except the children of 'Key Workers' in March 2020 and much of the education provided by the College was moved online. In brief, the impact has been to raise the level of uncertainty and risk for the whole education sector. Ardingly College adapted well to the new situation and provided a timetable of live lessons for all pupils in all year groups in Pre-Prep, Prep and Senior School. Years 7 to 13 used school-provided Microsoft Surface devices and those in lower years used a variety of their own devices, supported by parents at home and teachers online.

The impact on the financial results for the year to 31st August 2020 has been significant but this has been mitigated as much as possible by contributions from CJRS, targeted savings across the college operations and the support of our parent body being timely with fee payments. The College lost significant revenue (£2,582,795) through discounts offered on fees in Trinity Term 2020 and also through the cancellation of bookings by language schools and other commercial bookings during the Easter and Summer holidays 2020. This amounted to £1,098,400.

The College utilised the Government furlough scheme from April to October 2020, claiming £1,167,160. 293 staff were furloughed for varying lengths of time.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Key Performance Indicators

Pupil enrolment exceeded targets, with 994 pupils starting the academic year from Reception to Year 13, rising to 995 by the end of the year.

The Promotion of Education

The closure of schools between March and August clearly restricted the ability of the College to fulfil its purpose of promoting education. However, in the circumstances the College community worked exceptionally hard and well to provide a continuity of education through live online lessons for all year groups. Therefore, our students continued to benefit from access to high quality academic education as well as pastoral and social support throughout the period of school closure.

Academic Results

Public examinations were cancelled in 2020. Grades for GCSE and A Levels were awarded by Centre Assessed Grades and for the IB Diploma by a combination of coursework (known as Internal Assessments although in 2020 they were assessed externally by the IB) and school-generated predicted grades.

Results for Ardingly College can be found on the College website:

<https://www.ardingly.com/academic/results/>

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DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2020

Improving Facilities

We continue to improve facilities through constant investment in the fabric of the buildings and assets, and ambitious programmes to provide the best facilities to support teaching and learning. During the year, work was completed on a new Girls' Day House (Burgess House), which opened in September 2020, in addition to new and refurbished humanities classrooms.

Arts, Music and Drama

The 2019-2020 academic year was certainly one to remember. Despite the disruption and ultimate loss of the Trinity term, the Art Department maintained its high standards of creativity and innovation. In the Michaelmas Term a whole school sculptural project took shape, resulting in a beautiful flowing trail of poppies flooding down the external wall of the chapel. This piece was masterminded by art teacher, Genny King, and was painstakingly created from plastic bottle bases and wire, donated by parents and boarding houses. This striking piece commemorated Remembrance on November 11th for all to reflect upon.

The whole College show in November embraced the theme of 'self' and resulted in approximately 100 artworks exhibited from all ages across all three schools. An art masterclass for younger Year 5 and 6 students from neighbouring feeder schools was hosted and taught by Head of Art, Claire Grover, in late November. All students spent the day creating large self-portraits, learning skills such as mono print, design and paint manipulation. Our annual sixth form trip to Vienna in March was sadly cancelled – but we managed our Michaelmas gallery trips to London (in collaboration with the English Sixth Form students) and Chichester. We also introduced a new Remove Art trip to galleries and museums in Brighton, which was of huge benefit given our trips are not running in Michaelmas 2020 due to the virus. Our exam students lost the opportunity to finish their courses in March, with the second exam unit curtailed and marks based solely on teacher assessment. Thankfully, our candidates gained the grades they deserved with a 100% A-A* at A Level Art and 100% level 7 (A) to 9 (A**) at GCSE in August. Our IB Visual Artists also achieved a 100% level 6-7 (top marks) at Higher level in mid-March. Losing the chance of live final exhibitions was tough for us all, particularly as so much of the work was incredibly skilled, but thankfully all grades reflected the genuine artistic qualities our 2020 cohort had nurtured throughout their two-year courses. A new Instagram platform ([ardinglyart1](#)) was established, giving every candidate a 'virtual' platform for their hard work to be admired and seen. Whilst in lockdown, teaching art remotely was always going to be a huge departure from our usual 'hands-on' practical sessions, but all staff adapted and developed innovative and ultimately very successful live teaching styles and schemes of work. The need for more independence actually afforded some students the chance to flourish, with some exciting personal ideas and projects taking shape. Body painting, shadow drawing, one note illustrations and filmed live practical sessions were challenging and inspirational. The Art department Twitter feed and individual class Microsoft Team pages gave a clear and easily accessible space for virtual gallery openings.

The college Music Department was inevitably hugely affected by the advent of the Covid pandemic in March 2020 and with plans for a whole school concert at Glyndebourne, a tour to Slovenia, a celebratory service at St Paul's Cathedral, alongside a CD recording, all postponed due to the virus, the department moved swiftly to putting in place a varied and regular programme of musical activities through the medium of Microsoft Teams. However, the academic year opened with a wonderful service at Southwark Cathedral in September before the first Music @ Ardingly event saw the return of NYJO alongside a choral day for the Prep School with the renowned vocal ensemble, Apollo5. The music scholars were able to perform locally at Balcombe whilst fortnightly Friday concerts enabled a number of less well-known musicians a platform to showcase their talents.

The highlight of the College year was the first concert at St John's Smith Square in London which saw some 115 pupils involved in performances of John Rutter's Requiem whilst the symphony orchestra tackled the not insignificant challenge of performing Dvorak's 8th Symphony. It was a memorable evening for all including the capacity audience. The music provision for the Michaelmas term did not cease here with the excellent production of Chicago and a fine Christmas concert which saw the Girls' Choir perform Britten's 'A Ceremony of Carols' with Harp whilst the Chapel choir were on fine form in the two Carol services. The Lent Term saw the turn of the Prep School to perform at Chequer Mead with an energetic performance of We Will Rock You whilst the choral theme continued with the House Song and Ensemble competition for the Senior school taking place in February. The annual Make a

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Noise day saw some 6 Prep schools descend on the college for a day of music making whilst March saw the news that one of our students had successfully auditioned for the Choir of Trinity College, Cambridge, following her success in securing a place to study Music. Composing and instrumental masterclasses came and went whilst the whole college was engaged in preparations for a concert at Glyndebourne Opera House which would feature every pupil in a performance of Rutter's 'Gloria'. Just in advance of lockdown, the college musicians were able to perform with aplomb in the annual Cabaret evening which took place in the beautiful surroundings of Ashdown Park Hotel.

The Trinity term saw music transported to the virtual with 10 concerts, music teacher contributions and a Summer Sounds Bonanza with 11 ensembles. With approximately 480 music lessons taking place a week, all the Visiting Staff adapted to online teaching whilst it is hoped that some of the projects affected by Covid will be rescheduled for 2021.

Despite the vagaries of a global pandemic, Drama still managed some very special theatrical moments in 2019/20. The year began with House Drama based on myths from Ancient Greece. There was some brilliant work from all the Houses and the overall winner on the night was Rhodes with their masterful rendering of the Icarus story. Hot on the heels of House Drama came the Senior School musical – Kander and Ebb's Chicago. The production took place at the Chequer Mead Theatre in East Grinstead and the design elements were masterfully coordinated. The show was a triumph and the students had a wonderful time enjoying the chance to be in a real theatre and exploring such a scandalous tale.

After Christmas, with Covid 19 circling the Globe, the Drama Department took on the huge challenge of The Wipers Times. This epic tale of the magazine that sought to bring a little bit of laughter to the trenches was penned by OAs Ian Hislop and Nick Newman and the college was given special approval to stage the first ever amateur production to celebrate the 150th Birthday celebrations. Mr Freer and Mr Williams built an extraordinary set in the Under – transforming the space into a fully tented command space with explosions, mortar fire, tears and lots of laughter along the way. With the lights literally going out all over the world Ardingly managed to sneak one night of performance in just before the virus closed the curtain on performances for six months. This in itself was not without drama as three cast members had to pull out in the hours before and were replaced first by their castmates and then by the courageous intervention of Drama Graduate Jasmine Leftley and Matthew Bates. It was a great pity not to get the whole run in, but the one performance will live long in the memory of those lucky enough to see it.

The lockdown could not keep us in check for long and within a few weeks we had launched our rethinking of Shakespeare's classic as a 'Mid-Covid's Night's Dream' where the Remove and Shell rambled through the Athens woods via the Teams App. Mr Freer again brought his technical wizardry to bear and managed to live stream the event to an audience of nearly 200. The students enjoyed themselves hugely and it was great to see them engaging with the work even if the circumstances were not ideal. We ended as we began in the ancient world. Sadly, The Edinburgh Festival Fringe was cancelled in 2020 but we look forward to bringing new work to life in 2020-21.

Sport

In September we hosted a 16 team U11 Football tournament and a 10 team U11 Hockey tournament. Our development officers continued to visit local schools to put on coaching sessions across multiple different sports and we were able to accept some sporting athletes from our development centres as 11+ sport scholars. This year more than ever our students across the whole of the senior school have more sporting choices and are able to participate in up to 19 different sports during their games slots.

In January we hosted our First ever Woman in Sport week to celebrate International Women's Week and it attracted over 100 girls from local maintained schools. Four 'sports stations' were set up on the astro and the girls received expert coaching in athletics, football, hockey and netball from Sally Gunnell OBE (Olympic Champion 400m hurdles), Chloe Brown (Irish International Hockey player & Ardingly College Hockey Development Officer), Mike Gardner (Ardingly College Football Development Office & Crawley Women's Football Club coach) & Tamsin Greenway (English International netballer). The morning was rounded off with a Q&A session featuring all the coaches and hosted by Karen Pickering MBE (World Champion Swimmer and Ardingly College Swimming Development Officer).

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In February we hosted the England woman's Football team before they headed to the USA for the "She Believes Cup". They spent the day using our 1st XI pitch and S & C suite. During this time some of our Girl Footballers were able to meet some of their heroes.

Throughout lockdown we had to think creatively but were able to continue to support the students with live sessions via TEAMS. All Students had access, to Yoga, High Intensity Interval Training and Football sessions and we had a number of Webinars that pupils could gain access too. Our Elite athletes stayed in constant contact with their mentors via TEAMS too, allowing us to help them through this tricky time with advice on exercise and keeping fit.

The following speakers joined us for our Webinars: Danny Higginbotham – Ex professional Footballer; Paul Barber – Chief Executive of Brighton and Hove Albion; Naomi Cole, Darcey James & Natasha Stephens – Crawley Wasps Footballers; Luke Wright – Sussex Cricket Club; Sophie Bray, Laura Unsworth and Tess Howard – East Grinstead and GB Hockey players; Tom Evans & Sophie Coldwell – Ultrarunner and GB tri-athlete.

Below are a few sporting headlines for the year.

Cricket

Ardingly Cricket was represented extremely well at Sussex's CCC Winter Pathway with twenty boys being involved. The ages ranged from Under 15s to Under 19s with weekly sessions being held at the county ground. With the season being cut short, September cricket has been included in some schools which has been well received by our players. Over the course of the month we have managed four first team fixtures along with a Development team fixture. It was great to see one ex-Ardingly pupil make his Sussex County debut at the end of last season and following that up with a maiden half century this season. He also earned an England U19s call up for the World Cup in South Africa playing a major role in the team.

Football (Boys)

12 teams regularly playing their part over the course of 2019/20 season. The 1st XI entered the National Huddersfield league for the first time and managed to gain solid victories over Charterhouse, Shrewsbury and Hampton. They also just lost out to eventual winners Millfield in the last 16 of the ISFA cup. Both the U15 and 14 A teams also showed fine form within their Elgin leagues and just came up short against the dominant Whitgift in the semi-finals.

Ardingly players continued to show real individual talent, with one boy representing ISFA U17s, and two playing regularly for ISFA U16s and gaining caps against Australia. Two further pupils showed promise representing the ISFA 15s and 14s teams throughout the season.

Football (Girls)

The Ardingly girls' football U15 & 1st XI teams came closer to winning a National title than ever before. Both teams entered the ISFA National 7s competition full of confidence. The U15s finished the morning top of the table, winning four and drawing one whilst scoring 10 times and only conceding once in a group which consisted of Ardingly, Alleyns, Millfield, Guildford High and Repton. The girls then breezed through the quarter finals, eventually losing out to a tough ACS Cobham side.

The U18s managed to go one better than the U15s, eventually losing out in the final again to ACS Cobham after two battling performances in the quarter finals and semi-finals against Alleyns and Charterhouse, which took a lot out of the Ardingly legs. The U18s also topped their group, winning three out of three against Repton, Wycombe Abbey & St. Margaret's. The Ardingly girls left with their heads high, after going the whole day without conceding a goal until the final.

In March the 1st XI entered the Charterhouse invitational 7s competition, which consisted of Ardingly, Charterhouse and Bradfield. Ardingly showed their class, winning 4 out of 4 in the group stages, before winning the final against Charterhouse 3-0, not conceding a goal all day.

One pupil was selected for the ISFA U18 Girls squad for the whole year.

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2020

Hockey

Hockey has made some great steps forward with the expansion of our Elite Athlete Programme and some excellent team and individual success. One boy represented the England U18 team with many other bright stars for the future to look out for at the college too.

The U14 Boys played superbly and were through to the South of England Finals after winning the Sussex County Title before COVID-19 halted all competitions. In Girls Hockey, the U15A and 2nd XI teams were runners up and the 1st XI came 3rd in their respective leagues. While the impressive U14 age group are making a name for themselves on a national level after an excellent season.

In the Prep School the Girls 1st XI performed superbly to make it to the Quarter Finals of the IAPS national competition to put them in amongst the top eight prep school teams in the country.

Netball

Our U14a Team came 3rd at SISNA – a Sussex schools netball tournament and our 1st/U16A girls all played in the evening BMW League. They managed to win every game and have moved up to a higher division.

Rowing

The offer of rowing over the last few years has only been possible through a co-operation with Ardingly Rowing Club and has shown some remarkable successes, with one of our students representing England and two students being tracked in the Great Britain selection system for possible Great Britain representation.

The sport has established itself more firmly in the games options, with the sessions normally close to capacity or oversubscribed and a total of 50 students rowing at one time or another in 2019/20. Over the lockdown period, Ardingly College supported their elite rowers by allowing them to use College Ergometers at home, and pupils won a number of virtual Ergometer races on the Bawl Ergatta series from April to July.

Swimming

Our Junior and Senior boys medley and freestyle teams all qualified to compete in the ESSA National Team Finals in November at the London Aquatic Centre.

The senior boys narrowly missed out on place in the final of the Medley Relay, finishing 11th, but swam superbly into 7th place in the final of the Freestyle Relay. The junior boys improved on their ranking to finish 20th & 21st respectively.

The 2020 IAPS qualifications were the best results Ardingly College has ever had so the fact that these swimmers did not get to race at the London Aquatic Centre in the finals because of the Covid-19 cancellation was incredibly disappointing for all involved. We had 11 relay teams qualify and 12 individual swimmers plus four first reserves. We have grown our relationship with East Grinstead Swimming Club which now allows our boarders to compete for them while training at the College.

Enrichment and Co-Curricular

The College is justifiably proud of its co-curricular programme with students having many opportunities to develop their leadership skills through the Duke of Edinburgh Award Scheme, Sports Teams, Music, the Performing Arts, Debating and the Student Council. Enrichment activities are offered mainly during specific Enrichment Programme sessions to ensure that there is limited disruption to academic lessons. Students have the option to select from a range of outdoor, creative, academic, active or service options. Shell, Remove and Fifth students complete a variety of skills-based activities in order to help prepare them for life after school. Activities include cooking; debating; touch typing; strength and conditioning; first aid; and managing money. These are co-led by members of the L6th. This provides these students with the opportunity to gain valuable leadership experience within the College. It also helps them complete the required service element of the IB diploma or Duke of Edinburgh Award.

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Service activities continue to go from strength-to-strength. During the Monday and Thursday Enrichment Programme, students completed over 5,000 hours of community service. This involved supporting the local community in a number of ways including IT support for local elderly residents; visiting care homes with the Music and Memory project; students delivering Maths and Spanish support for students at St Peter's Primary in Ardingly; gardening at Standen House; and volunteering at the local Scope charity shop. Senior School students also provided support within the College community by assisting with the running of clubs and activities in the Prep School and Pre-Prep. This includes helping to run Science Club, Maths Club, Language Support, Netball training, Footy stars and Pre-Prep play.

There is an exciting programme of Outdoor Activities available (including overnight camps, DofE expeditions, weekend skydiving trips, sailing trips and climbing). A large proportion of these students also completed the Bronze Duke of Edinburgh Award. Rifle shooting is offered as an activity during Senior Games. Unfortunately, the COVID pandemic prevented the completion of the DofE expeditions.

Before the outbreak of COVID, the College ran a range of overseas trips during the Michaelmas and Lent terms. In August, Sixth Form students performed a self-devised play at the Edinburgh Fringe Festival. This was exceptionally well-received and enabled the students to develop their artistic flair.

Pre-season tours to Bisham Abbey and Berlin took place for the senior and junior football and hockey teams. Sixth Form Physics students visited CERN (Switzerland) in September to better understand the use of powerful particle accelerators. In October, forty-five Fifth-year students visited Iceland in order to experience first-hand the tectonic processes at play, whilst twenty-six students visited the Berlin markets in order to practise German language and gain further insight into this cultural tradition. Ski racing proved as popular as ever, with nineteen students representing the College at the Independent Schools Ski Racing competition in Les Deux Alpes. The team performed exceptionally well, gaining first place in the Giant Slalom, third place in the Senior Team Slalom, and being place third overall in the Team event. The Business and Economics departments took students on a trek of the Atlas Mountains, in order to allow students to appreciate the impact of tourism on a developing market, environmental quality and women's rights. In December, ten students spent a week visiting a Spanish language college in Salamanca. This experience provided intensive practise of their language skills and was of great benefit to all. Computer Science students benefitted from attending the Computer Live conference in Paris in February. Students were able to meet and consult with a range of IT experts and develop their understanding of coding and AI. The crown jewel of the extra-curricular trips, however, was the Solar Car trip to Australia to compete in the Bridgestone World Solar Challenge. Thirty-one students were involved in race-testing trips to Zolder and Albi during which the College's solar car completed 24-hour races. The trip to Australia involved four Ardingly students. These were joined by students from Ifield Community College as part of a joint community-focused project which had previously resulted in the College being nominated for a Science Community TES award. The trip was a resounding success, with the College car completing the race and gaining national press coverage. More importantly, this trip has resulted in closer connections between the two schools and the development of an IML motor diploma which has recently been introduced as an enrichment qualification at the College.

To mark International Women's Day 2020, Ardingly College enjoyed a whole week of events that allowed members of the College community to engage with issues that relate to the contemporary women's movement and encouraged students to challenge their preconceptions and stereotypes. Central to the week's events was a Film Festival that saw the College welcome a Hollywood actor to discuss her experiences as an advocate for the #metoo movement. The College also hosted screenings of Kathryn Bigelow's film *Hurt Locker*, introduced by the film maker Isis Thompson, as well as Patty Jenkin's *Wonder Woman*, introduced by the actor Gabby Wong who addressed issues around the male gaze and female stereotyping in the creative industries.

The atmosphere at school was one of unity and advocacy, with students of all genders celebrating leading women across a range of fields and advocating around issues of global gender inequality. Collections were made for 'Bloody Good Period', a charity that works closely with some of the most vulnerable women in the UK, including victims of domestic abuse and asylum seekers, to ensure that they have access to free period products. Students donated over four hundred packets of sanitary towels.

Multiple talks and discussion panels were held. A panel of female Old Ardinians who work in industries which still see pronounced gender gaps discussed their careers and the changing role of gender in the

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workplace. We were delighted to welcome the academic Dr Geraldine Horan to host a discussion over the use of language and the concept of banter in the gender debate.

The College also welcomed pupils from fourteen local primary schools to take part in a series of workshops with leading athletes including Sally Gunnell OBE, Karen Pickering MBE and Tamsin Greenway. Sally Gunnell OBE said: "It was thoroughly enjoyable spending the morning at Ardingly College, training with the school's sportswomen and then being part of their panel discussions. One of the issues young women face is the importance of confidence. Girls should believe they can succeed in sport – or in anything they set their minds to. Ardingly College has some great facilities to offer these sportswomen, so they have the very best start on their way to succeeding in whatever field they choose."

Our final event of the week saw Nusrat Ghani, Conservative MP for Wealden, address the College. Nusrat was the first female Muslim MP to address the House of Commons from the dispatch box; not only did she share with us her experiences in Parliament but also her work in relation to the development of female education in Afghanistan.

Events were opened not only to pupils in both the Senior and Prep schools but also parents and children from 12 local schools (primary and secondary) attended over the course of the week.

To mark the 150th anniversary of the foundation of Ardingly College a series of lectures on the theme of 1870 were planned for the year. Unfortunately, the closure of schools in March curtailed this programme but two of the six planned lectures were held in the Michaelmas Term. One focusing on Dickens' unfinished novel 'The Mystery of Edwin Drood' delivered by Dr Markus Klinge (Head of English) and one focusing on 1870 as a key turning point in history delivered by Max Usher (Head of History). In addition to Academic Scholars, parents and other interested pupils the events were opened to students from a range of local senior schools.

World Ready Life Skills and Careers

Our World ready Life Skills week was cancelled sadly due to the outbreak of Covid but we look forward to reinstating the week next year. However, life skills workshops and sessions ran throughout the year: CV writing, networking, interview preparation, multiple-mini interviews for potential medical students, presentation skills and work experience sessions.

Every year group had careers lessons delivered as part of the PSHE curriculum with the focus on preparing our students to make informed decisions about their next stage, whatever that might be. Our senior school students were provided with individual careers advice, offered the chance to attend talks on a range of different careers from industry experts, opportunities to draft a CV and source valuable work experience placements. We hosted several external speakers who focussed on Mental Health and well-being – delivering talks to students and parents. The talks included – Gambling Awareness, Modern Masculinity and Empathy and Sleep and Self Care.

We hosted department-specific Careers Events and specialist talks including Careers in Psychology, Careers in International Business and Creative Industries – including a fascinating talk from one of our OA's who is a Film Production Manager; How to become a pilot, an interesting talk from a Diplomat as well as many talks from experts in the medical world.

Community, Outreach and Educational Partnerships

The College plays an important role in providing activities for local community groups and access to its facilities.

- The College swimming pool is made available as a swim school.
- Music facilities are made available to a wide range of local music societies including the Ardingly Choral Society all of whom have a discounted hire charge.
- Senior students coach football and hockey to primary-aged children in our Footy-stars and Hockey-stars programmes, catering for up to 80 children participating each week.

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- In IT we offered free classes, run by College staff and LVI and UVI students, for local senior citizens.
- The College woodland is used throughout the year to support local forest schools' initiatives and again this is offered free of charge.

This year over 4,000 hours of volunteering and outreach activity was completed, despite only being in school for two of the three terms and with it many of our community events had to be cancelled. The College has formed an ever-strengthening relationship with two schools: Ifield Community College through the joint Solar Car project and St Peter's Primary school in Ardingly village through regular language tuition provided by our Sixth Form language students. In October 2019 a joint Ardingly-Ifield team completed the Bridgestone Solar Challenge in Australia as well as various solar and sustainable engineering events in the UK and Europe, and have been shortlisted for the TES Science & Technology partnership award.

Alumni

During the lockdown, our Alumni relationship team kept in close contact with our alumni community, in particular with those whom we knew to be alone. In addition, the regular e-newsletter kept alumni abreast of events at school, and several alumni events were organised. Among the most popular activities were a Memory Bank through which alumni shared their stories of school to feed into an Oral History Project which seeks to record oral testimonies of pupils at the College through the years. The Pelican-2-Pelican talks brought alumni, staff and pupils together on a range of issues, including a Climate Change Panel discussion, studying in the US, working for the Foreign Office and International Risk Management.

Fundraising Performance

A pecuniary legacy of £350,000 was received from the Estate of Fraser James Paterson directed towards transformational bursaries. A donation of £100,000 was also received towards the creation of an Eco Café to enable students to share a social space at the heart of the campus; additional fundraising for this project is on-going. Other donations totalling £70,000 were received during the financial year 2019-20.

Statement on Brexit

Following the outcome of the UK referendum on European Union membership, the UK left the European Union on 31st January, 2020. In preparation for this date, and in anticipation of the transition period, the school reviewed operations to understand and plan for the initial impact from Brexit. Students who are EU citizens have been assisted to apply for Tier 4 visas effective from 1st January 2021.

HOW THE BOARD COMPLIES WITH ITS SECTION 172 DUTY

Section 172 (1) of the Companies Act 2006 (Statement of Director's Duties to Stakeholders) requires directors to act in good faith to promote the success of the charity for the benefit of its members, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the charitable company's employees;
- the need to foster the charitable company's business relationships with suppliers, customers and others;
- the impact of the charitable company's operations on the community and the environment;
- the desirability of the charitable company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the charitable company.

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The Directors welcome the new reporting requirement as an opportunity to explain how dialogue with stakeholders has informed and helped to shape its decisions in promoting the success of the College to achieve its charitable purposes.

As set out on page 5 within "Group Structure and Relationships" the College has developed links with a wide range of organisations to ensure the widest possible access to facilities and education.

Through membership of HMC, IAPS, AGBIS and ISBA and by networking with peer groups we ensure that we are able to attain the highest standards of quality and performance.

Details of how the College has engaged with employees and had regard to employee interests can be found within the employment policy on page 8 and employment consultation on page 19, details of volunteer engagement can be found on page 3.

The Directors can demonstrate the promotion and success of the charity for the benefit of the stakeholders through the review of achievements and performance for the year, included within this Strategic Report. The College has continued to provide access to high quality academic education as well as pastoral and social support throughout the period of school closure during the summer term. The College also plays an important role in providing activities for local community groups and access to its facilities.

The Directors are responsible for strategic planning and policymaking for the College and, accordingly, all key decisions, the current performance and future longer-term plans of the charity and stakeholders are referred to and taken by the Board. The College is governed by the governing body (Council) which delegates work to a number of committees. Membership of each committee is outlined on page 21. The Governors, who are also the directors, determine the general policy of the company.

As set out in the Strategic report, our culture, staff, volunteer and pupil welfare and wellbeing, throughout the COVID-19 period has been fundamental to the continued success of the College.

Further information can be found in our Strategic Report and the detailed review of achievements and performance for the year.

ENERGY AND CARBON REPORTING

The company has taken advantage of the exemption to comply with the Energy and Carbon Report Regulations 2018 as a subsidiary of the Woodard Corporation Limited.

FINANCIAL REVIEW

Results for the Year

The College experienced a very challenging year but aimed to balance the impact on parents, opportunities to save costs, access to government support and achieve a breakeven position. The income for the year amounted to £22.7m of which the operating loss on school activities was £35,000. Gross fee income for the year decreased by 3.6% from last year, reflecting the increase in pupil numbers throughout the school, offset by a fee discount provided to parents during the Trinity term lockdown.

Our trading company, Ardingly Projects Limited was unable to hire out Ardingly College facilities during Easter and Summer holidays, therefore income was significantly lower than budgeted. The company therefore did not contribute to the Group's operating profit and made a £387,850 operating loss.

Ardingly College International Ltd, our subsidiary company developing educational consultancy services and franchised schools overseas, completed its second year of trading and generated income of £328,000. Due to the level of initial legal and operating costs, the company made a profit of £32,000. The Board has reviewed the forecasts and the contracts under discussion and considers that the business should be viewed as a going concern.

Group total funds increased by £371,000 for the year, after actuarial adjustments and including revaluations.

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The parents of our pupils often make significant sacrifices to pay the fees. In doing so they help to relieve the state of the financial burden of educating 702 UK-based children. The saving is estimated to have a value in the last year of £4,480,164.

The school is unable to recover the VAT on purchases it makes. During the past year, Ardingly College Ltd has paid an estimated £2,059,509 in VAT on goods and services.

In addition to the very substantial benefits our school brings to our pupils, the local community and society through the education we offer, our bursary and outreach programmes create a social asset without cost to the Exchequer.

Reserves Level and Policy, and Financial Viability

It continues to be the College's policy to utilise funds to ensure that high quality, modern facilities are provided for the benefit of pupils. The aim is to budget so as to provide sufficient working capital to meet the present needs and future development strategy of the College, without being required to sell tangible fixed assets, or to use the College's readily realisable investments supporting unrestricted funds.

The governors have invested substantial sums into new College buildings in recent years and have a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils.

The College's total reserves of £16.7m at the year-end included £0.3m of endowed funds, £0.5m of restricted funds and £15.9m unrestricted designated funds, of which £1.3m is held to cover the defined benefit pension fund deficit. The College's financial viability does not depend on income reserves but in its ability to continue to trade at a surplus on an annual basis, and on the substantial portfolio of fixed assets held for operational use.

The company's unrestricted reserves are primarily invested in tangible fixed assets which are all used for its direct charitable activities. The College does not have, and cannot therefore rely on, permanent endowments.

PRINCIPAL RISKS AND UNCERTAINTIES

Coronavirus Pandemic

It should be noted that these financial statements were compiled during the Covid 19 global pandemic and before a vaccine was identified. Like most trustees, the governors keep under consideration the impact of a catastrophic event on the school's ability to continue, but that event may come about from many causes and being specific about the source is not possible. The consideration of risks in the paragraphs below is therefore reflective of a more stable environment and does not specifically look at the pandemic, or other similar events, but offers a wider view of common events plus a specific risk looking at those events that could impact the continuity of education.

The Directors consider the economic turbulence of recent years and the affordability of fees by parents across the independent sector to be the principal risk faced by the school. The school is currently full, but there is no room for complacency. The governing body, therefore, decided not to increase fees in September 2020 for the academic year 2020-21. Health and Safety is always a significant area for risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions). The level and breadth of activity at the school is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment.

The principal risks to which the College is exposed include those affecting protection of pupils and security and preservation of charitable assets both now and in the future. Significant risk areas:

- the governors consider possible catastrophic events and ensure that the school has a plan in place to allow education to continue in a range of different scenarios
- the market in which the College operates is highly competitive and we monitor developments in education to ensure that pupils always receive a first class, holistic and varied educational experience in our College

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- we strive to ensure that all staff are able to work in a safe and supportive environment and policies, procedures and training in Human Resource management and Health and Safety help to ensure that the College meets expectations
- the College operates in a highly regulated sector, including in matters of child protection, and we appoint appropriate professional advisers to ensure that we can keep up to date with all requirements; College or individual membership of bodies being the constituent associations of the Independent Colleges Council also ensure that we have access to up to date information and support
- the College operates in an increasingly litigious environment and we appoint appropriate professional advisers and purchase insurance using specialist brokers and advisers to ensure that we can keep up to date with all requirements and meet all challenges
- all organisations face difficult economic conditions and directors and senior managers in the College keep abreast of economic conditions locally, nationally and internationally to identify trends and develop plans to address issues.

The key controls used by the College include:

- formal agendas and minutes for all meetings of the governing body and committees
- terms of reference for all committees
- comprehensive strategic planning, financial forecasting, budgeting and management accounting
- established and identifiable organisational structures and reporting lines which are regularly reviewed
- comprehensive formal written policies
- clear authorisation limits
- vetting procedures, as required by law, for protection of the vulnerable.

The College plans strategically having regard for risk. The executive provide the governing body with regular reports which include details of the principal strategic objectives and the activity to achieve those objectives. The College also records significant achievements and updates the governing body and Woodard Corporation on short-term plans.

Financial risk management objectives and policies

The College uses financial instruments, comprising loans, cash and other liquid resources and other items such as trade debtors and creditors that arise directly from operations.

The main issues arising from the group's financial instruments are liquidity risk and interest rate risk. The College's Directors adopt policies for managing each of the risks and these are summarised below:

- Liquidity risk – the College seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs by negotiating adequate facilities from banks and other lenders.
- Interest rate risk – the College has mitigated its risk to interest rate fluctuations by agreeing a fixed rate loan.

GOING CONCERN

The governing body has reviewed the impact of the global pandemic on school operations and finances. In summer term of 2019-20 the financial impact was mitigated through use of the various elements of support provided by the Government, including the furlough scheme. Additionally, the College secured a renewal of its overdraft facility (due for annual review in March 2021) and took out a new £4m loan through its bankers to support the capital works in progress. The governing body recognise that the financial implications in 2019-20 brought about as a result of the pandemic will continue into 2020-21, and possibly beyond, and continues to rework plans for the coming year, to ensure the financial impact on the school continues to be mitigated in the most appropriate way. Having considered all factors and reviewing the available evidence, the Ardingly College Board has a reasonable expectation that the group will be able to continue operating for the foreseeable future and the financial statements have been prepared on a going concern basis. Further details related to the adoption of the going concern basis can be found in the accounting policies on page 30.

EMPLOYEE CONSULTATION

The Headmaster and other members of the College leadership team meets with all staff prior to the

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2020

start of each term to provide information on matters of concern, including the academic and financial performance of the College and major capital projects being undertaken.

The College has a staff consultative committee called the Staff Council with elected employee representatives from across the College as well as key members of the Leadership Team – the Headmaster, Prep School Headmaster, Director of Finance & Resources, Assistant Head Pupil Welfare, Head of Pupil and Staff Support and HR Manager. The Staff Council meets twice a year and is an opportunity for staff members to raise issues of concern or ideas for improvement of college facilities and working practices.

The College is keen to encourage employee participation in communication of matters of concern to them. On a weekly basis each of the main schools hosts a meeting with staff from that school to discuss issues affecting staff and pupils. The Resources/ Support Staff team also meet for a coffee break meeting each week where key messages are shared.

Where there is any major development affecting the terms and conditions of members of staff, the College holds consultation meetings with affected employees in advance of any major change strategy in line with the communication and consultation policy. During the year, the College consulted with its academic staff over a possible withdrawal from the Teachers' Pension Scheme. Employer contributions to the Scheme increased from 16.48% to 23.68% in September 2019, resulting in an additional cost to the College of £464,000. The rationale for the potential withdrawal however was to mitigate the risk of further increases in employer contribution, rather than a matter of cost. The consultation concluded with agreement for the College to leave the Teachers' Pension Scheme on 31st December 2020.

FUTURE PLANS

The College has a five-year College Plan that includes pupil model, capital projects and staff development. In response to Covid-19 the College Plan is being kept under management and governor review through 2020-21.

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DIRECTORS

The directors who served during the year, and the committees of which they are members, are:

R Haynes Brown (Chairman)		Estates, Finance & General Purposes, Development, Nominations
J Armstrong		Development
S Bradshaw	(appointed 4 th March 2020)	Education
P N Bryan	(resigned 3 rd July 2020)	Finance & General Purposes
S L Champkin		
G W Dixon		Estates
M Dixon	(appointed 4 th March 2020)	Education
E Hower	(resigned 28 th November 2019)	Education
M E Ireland	(resigned 3 rd July 2020)	Finance & General Purposes, Education, Nominations
D H T Johnson-Poensgen		Finance & General Purposes, Estates, Nominations. Special Responsibility – IT
S Kay		Special Responsibility - Compliance
L E Lindsay		Special Responsibility – Safeguarding & Pre-prep
E Martin		Education
J Martin	(appointed 27 th November 2019)	
J F Sloane	(resigned 31 st August 2020)	Finance & General Purposes, Estates, Education, Development, Nominations. Special responsibility – Boarding
K E C Sweeney		

None of the directors has any beneficial interest in the company. Ardingly College purchases trustees and officers insurance on behalf of the directors.

AUDITOR

RSM UK Audit LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT (*incorporating the Strategic Report*) **YEAR ENDED 31ST AUGUST 2020**

DIRECTORS RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the directors 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; and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and group will continue in business.

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

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

Approved by the Board of Directors of Ardingly College Limited on 26 November 2020, including, in their capacity as company directors, approving the Directors' and Strategic Reports contained therein, and signed on its behalf by:



Robert Haynes Brown
CHAIRMAN

ARDINGLY COLLEGE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARDINGLY COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2020

Opinion

We have audited the financial statements of Ardingly College Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2020 which comprise the Consolidated and Charity Statements of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the directors' 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 group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

ARDINGLY COLLEGE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARDINGLY COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2020

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report and the incorporated Strategic Report prepared for the purpose of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report and the incorporated Strategic Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Directors' responsibilities set out on page 22, 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 Directors are responsible for assessing the group's and 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

ARDINGLY COLLEGE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARDINGLY COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2020

Use of our report

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

RSM UK Audit LLP.

Zoe Longstaff-Tyrrell (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Portland
25 High Street
Crawley
West Sussex
RH10 1BG

16 December 2020.

ARDINGLY COLLEGE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) YEAR ENDED 31ST AUGUST 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total 2020 £	Total 2019 £
Income and endowments from:						
Charitable Activities						
School fees receivable	2	19,264,438	-	-	19,264,438	20,058,898
Ancillary trading income	3	887,460	-	-	887,460	844,877
Other trading activities						
Non-ancillary trading income	4	768,161	-	-	768,161	1,773,797
Other Activities	4	4,508	-	-	4,508	35,019
Investments						
Bank and other interest	5	4,624	13,292	-	17,916	38,058
Voluntary Sources						
Grants and donations	6	1,596,424	110,625	-	1,707,049	355,834
Other income		2,078	-	-	2,078	5,450
TOTAL INCOME		<u>22,527,693</u>	<u>123,917</u>	<u>-</u>	<u>22,651,610</u>	<u>23,111,933</u>
Expenditure on:						
Raising funds						
Non-ancillary trading	7	923,874	-	-	923,874	1,290,831
Other income generating activities						-
Financing costs	8	543,032	-	-	543,032	454,508
Investment management						-
Fundraising and development		80,392	-	-	80,392	82,381
TOTAL RAISING FUNDS		<u>1,547,298</u>	<u>-</u>	<u>-</u>	<u>1,547,298</u>	<u>1,827,720</u>
Charitable Activities						
Education and grant making	7	21,026,646	49,780	-	21,076,426	20,005,216
TOTAL EXPENDITURE		<u>22,573,944</u>	<u>49,780</u>	<u>-</u>	<u>22,623,724</u>	<u>21,832,936</u>
Net gains/(losses) on investment assets	13	(61,205)	-	(1,380)	(62,585)	(6,506)
Net income/(expenditure)		<u>(107,456)</u>	<u>74,137</u>	<u>(1,380)</u>	<u>(34,699)</u>	<u>1,272,491</u>
Transfers between funds	24	-	-	-	-	-
Other recognised gains/(losses)						
Pension scheme actuarial gains	26	406,000	-	-	406,000	(570,000)
Net Movement in funds for the year		<u>298,544</u>	<u>74,137</u>	<u>(1,380)</u>	<u>371,301</u>	<u>702,491</u>
Fund balances at 1st September		<u>15,564,734</u>	<u>539,825</u>	<u>270,046</u>	<u>16,374,605</u>	<u>15,672,114</u>
FUND BALANCES AS AT 31ST AUGUST		<u>15,863,278</u>	<u>613,962</u>	<u>268,666</u>	<u>16,745,906</u>	<u>16,374,605</u>

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The notes on pages 30 to 58 form part of these financial statements.

ARDINGLY COLLEGE LIMITED

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) YEAR ENDED 31ST AUGUST 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	2020 £	2019 £
Income and endowments from:						
Charitable Activities						
School fees receivable	2	19,264,438	-	-	19,264,438	20,058,898
Ancillary trading income	3	902,960	-	-	902,960	1,153,258
Other trading activities						
Non-ancillary trading income	4	175,858	-	-	175,858	249,073
Other activities		4,508	-	-	4,508	35,019
Investments						
Bank and other interest	5	4,512	13,292	-	17,804	30,528
Voluntary sources						
Grants and donations	6	1,596,424	110,625	-	1,707,049	355,834
Other income		2,078	-	-	2,078	5,450
TOTAL INCOME		<u>21,950,778</u>	<u>123,917</u>	<u>-</u>	<u>22,074,695</u>	<u>21,888,060</u>
Expenditure on:						
Raising funds						
Non-ancillary trading	7	-	-	-	-	-
Other income generating activities						
Financing costs	8	536,563	-	-	536,563	450,802
Investment management		-	-	-	-	-
Fundraising and development		80,392	-	-	80,392	82,381
TOTAL RAISING FUNDS		<u>616,955</u>	<u>-</u>	<u>-</u>	<u>616,955</u>	<u>533,183</u>
Charitable Activities						
Education and grant making	7	21,024,147	49,780	-	21,073,927	20,002,686
TOTAL EXPENDITURE		<u>21,641,102</u>	<u>49,780</u>	<u>-</u>	<u>21,690,882</u>	<u>20,535,869</u>
Net gains/(losses) on investment assets	13	(61,205)	-	(1,380)	(62,585)	(6,506)
Net income/(expenditure)		<u>248,471</u>	<u>74,137</u>	<u>(1,380)</u>	<u>321,228</u>	<u>1,345,685</u>
Transfers between funds	24	-	-	-	-	-
Other recognised gains/(losses)						
Pension scheme actuarial losses	26	406,000	-	-	406,000	(570,000)
Net Movement in funds for the year		<u>654,471</u>	<u>74,137</u>	<u>(1,380)</u>	<u>727,228</u>	<u>775,685</u>
Fund balances at 1st September		<u>15,637,564</u>	<u>539,825</u>	<u>270,046</u>	<u>16,447,435</u>	<u>15,671,749</u>
FUND BALANCES AS AT 31ST AUGUST		<u>16,292,035</u>	<u>613,962</u>	<u>268,666</u>	<u>17,174,663</u>	<u>16,447,434</u>

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The notes on pages 30 to 58 form part of these financial statements.

ARDINGLY COLLEGE LIMITED

CONSOLIDATED AND CHARITY BALANCE SHEETS AS AT 31ST AUGUST 2020

	Note	Group 2020 £	2019 £	Charity 2020 £	2019 £
FIXED ASSETS					
Tangible assets	12	29,551,579	27,408,152	29,551,579	27,408,152
Securities Investments	13	963,578	1,026,163	963,578	1,026,163
Investment in subsidiaries		-	-	3	3
		<u>30,515,157</u>	<u>28,434,315</u>	<u>30,515,160</u>	<u>28,434,318</u>
CURRENT ASSETS					
Stock		49,730	168,794	18,757	32,054
Debtors	14	974,917	708,017	1,149,406	1,071,743
Cash at bank and in hand		<u>1,803,028</u>	<u>1,875,428</u>	<u>1,597,616</u>	<u>1,665,900</u>
		<u>2,827,675</u>	<u>2,752,239</u>	<u>2,765,779</u>	<u>2,769,697</u>
CURRENT LIABILITIES					
Creditors payable within one year	15	(5,784,091)	(5,566,721)	(5,293,441)	(5,511,353)
NET CURRENT ASSETS/(LIABILITIES)		<u>(2,956,416)</u>	<u>(2,814,482)</u>	<u>(2,527,662)</u>	<u>(2,741,656)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>27,558,741</u>	<u>25,619,833</u>	<u>27,987,498</u>	<u>25,692,662</u>
LONG TERM LIABILITIES					
Creditors payable after one year	16	(9,487,735)	(7,509,128)	(9,487,735)	(7,509,128)
TOTAL NET ASSETS EXCLUDING PENSION LIABILITY		<u>18,071,006</u>	<u>18,110,705</u>	<u>18,499,763</u>	<u>18,183,534</u>
Net pension liability	26	<u>(1,325,000)</u>	<u>(1,736,000)</u>	<u>(1,325,000)</u>	<u>(1,736,000)</u>
NET ASSETS		<u>16,746,006</u>	<u>16,374,705</u>	<u>17,174,763</u>	<u>16,447,534</u>
REPRESENTED BY: CALLED UP SHARE CAPITAL	20	100	100	100	100
ENDOWED FUNDS	22	268,666	270,046	268,666	270,046
RESTRICTED FUNDS	22	613,962	539,825	613,962	539,825
UNRESTRICTED FUNDS					
General reserve	22	14,538,278	13,828,734	14,967,035	13,901,563
Pension reserve	26	1,325,000	1,736,000	1,325,000	1,736,000
		<u>16,746,006</u>	<u>16,374,705</u>	<u>17,174,763</u>	<u>16,447,534</u>

The financial statements were approved and authorised for issue by the Board on 26 November 2020 and signed on its behalf by:

Robert Haynes Brown
CHAIRMAN

Company registration number 03779971

The notes on pages 30 to 58 form part of these financial statements.

ARDINGLY COLLEGE LIMITED

CONSOLIDATED CASH FLOW STATEMENT AS AT 31ST AUGUST 2020

	Notes	2020 £'000	2019 £'000
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	27	2,903,999	4,027,025
Cash flows from investing activities:			
Dividends, interest and rents from investments		17,916	38,058
Proceeds from the sale of property, plant and equipment		7,800	5,450
Purchase of property, plant and equipment		(4,027,217)	(5,703,373)
Proceeds from sale of investments		-	-
Purchase of investments		-	-
Net cash provided by (used in) investing activities		(4,001,501)	(5,659,865)
Cash flows from financing activities:			
Repayments of borrowing		(184,866)	(174,555)
Cash inflows from new borrowing		1,753,000	-
Financing costs		(543,032)	(454,508)
Receipt of endowment		-	-
Net cash provided by (used in) financing activities		1,025,102	(629,063)
Change in cash and cash equivalents in the year		(72,400)	(2,261,903)
Cash and cash equivalents at the beginning of the year		1,875,428	4,137,331
Cash and cash equivalents at the end of the year	28	1,803,028	1,875,428

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

1. ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the year and in the preceding year are:

a) Basis of Accounting

The accounts of the group have been prepared under the Companies Act 2006 and in accordance with the Statement of Recommended Practice for Charities ('SORP (FRS102)') and with applicable UK Accounting Standards. They are drawn up on the historical cost accounting basis except that property and share investments held as fixed assets are carried at fair value.

Ardingly College meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Further details are provided in note 34, and in the accounting policies for depreciation of fixed assets, for pensions and for bad debts. The financial statements are presented in sterling (£) and the functional currency is sterling (£).

b) Going Concern

The accounts have been prepared on a going concern basis. The Ardingly College Board reviews the financial information for the company and the group, and consider whether the group and company are a going concern for a period of at least 12 months from the date of approval of the accounts.

The Directors have reviewed the impact of the global pandemic on school operations and finances. In the summer term of 2019-20 the financial impact was mitigated through use of the various elements of support provided by the Government including the furlough scheme. Additionally, the College secured a renewal of its overdraft facility and took out a new £4m loan to support the capital works in progress. The Board is confident that the College will be able to rely on the continued support of Lloyds Bank, with a further renewal of the overdraft facility in March 2021 and access to additional loan funds agreed in principle, should they be required. The governing body recognise that the financial implications in 2019-20 brought about as a result of the pandemic will continue into 2020-21, and possibly beyond, and continues to rework plans for the coming year, to ensure the financial impact on the College continues to be mitigated in the most appropriate way. Having considered all the factors and reviewing the available evidence, the directors have a reasonable expectation that the group has adequate resources to continue operating for the foreseeable future and the financial statements have been prepared on a going concern basis.

c) Group Accounts

The financial statements consolidate the financial statements of the company, and all its subsidiary companies, charitable trusts and funds with all inter-company balances being eliminated. Entities are consolidated where Ardingly College exercises overall control either through ownership of shares, or through having common trustees with a common objective. Accounting policies are consistently applied between group companies.

d) School Fees Receivable and Similar Income

Fees receivable and other educational income are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions by the school, but include contributions received from restricted funds for scholarships, bursaries and other grants. Fees in Advance Scheme Contracts are those fees received in advance of education to be provided in future years under a specific contract. The

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

fees are either held as investments in interest bearing assets until taken to income to match liabilities in the term when used, or refunded, or they are held within the unrestricted reserves of the school. Any surplus of assets over liabilities is held within the fund as a buffer. Debts are provided for if not recovered within one term. Estimating amounts to provide against recovery of debts is a matter of judgement.

e) Ancillary and Non-Ancillary Trading Income

Ancillary trading income represents amounts from activities to generate funds within the charitable objects, for example school shop sales, coaches to and from school and school trips. Non-ancillary trading income represents amounts from activities not directly related to the charitable objects, for example lettings of school facilities out of term time and rental from spare school buildings. Income from these activities is recognised in the Statement of Financial Activities when the goods are sold or services provided.

f) Voluntary sources, Grants and Donations

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can reliably be quantified and the economic benefit is considered probable.

Voluntary income for general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the school in case of donated services or facilities.

g) Expenditure

Expenditure is accrued as soon as there is a contractual obligation or a liability is considered probable, discounted to present value for longer term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates. Bad debts are provided for in accordance with the group bad debt policy. The cost of refurbishing and converting existing buildings is written-off in the year in which it is incurred except where the useful life has been extended.

h) Finance and Other Costs

Other costs include amounts accrued in accordance with the terms of Fees in Advance Scheme Contracts.

i) Pension Costs

The school company participates in the Teachers' Pensions scheme, which is an unfunded government scheme which provides benefits based on final pensionable pay. The funds of the scheme are separate from the company, although the company's share of the scheme cannot be identified as the scheme is a multi-employer scheme, and so the pension costs are accounted for as defined contribution schemes. The company also contributes to other defined contribution pension schemes for non-teaching staff.

There is a closed defined benefits scheme for non-teaching staff. Contributions to the Scheme are made in accordance with the recommendations of independent actuaries and are charged to the Statement of Financial Activities as they are incurred. In addition, under the provisions of FRS102, the actuarial liability of the Scheme is reviewed annually and provision is made for any actuarial deficit arising.

The assets of the Scheme are held separately from the company in an independently administered fund. Contributions to the defined contribution scheme are charged to the Statement of Financial Activities as they are incurred. The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises. More detail is given in note 26.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

j) **Tangible Fixed Assets and Depreciation**

In accordance with Section 35.10 (d) of FRS102, Ardingly College has elected to use the carrying value of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost at the date of transition to FRS102, 1 September 2014.

Tangible fixed assets are stated at cost less depreciation. Individual capital items, or projects, with a value greater than £10,000 are capitalised. Assets in the course of construction are stated at cost less any provision for impairment. They are transferred to completed assets when substantially all of the activities necessary to get the asset ready for use are complete. Where appropriate cost includes our own labour costs in relation to construction, and directly attributable overheads.

Where tangible fixed assets have been acquired with the aid of specific grants they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset based on current market prices, over its expected useful life, as follows:

Freehold land is not depreciated

Freehold Buildings:	- Variable according to the building and written off over the expected useful life (see paragraph below)
Freehold improvements	- Over the useful economic life of the improvement
Leasehold land	- Over the shorter of the economic life of the asset or the life of the lease
Leasehold enhancement	- Over the economic life of the asset
Computer equipment	- 25% on cost
Telephone system	- 10% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost

The company has reviewed its tangible assets, which comprise land, buildings and initial fixtures and fittings. The company undertakes an annual review of all buildings assessing their useful economic life. In some cases the useful economic life of a building is anticipated to be of considerable length, often in excess of 100 years. The buildings are capitalised in the financial statements at historic cost. Where the calculated depreciation charge is a material figure, it is charged in these financial statements but, where the carrying value is not more than the estimated recoverable amount and the depreciation on the building is not material to these financial statements, it has been assessed, but not charged on the basis that it is not material. The directors will continue to carry out annual assessments of the recoverable amount and the estimated useful life of all buildings and where the depreciation is a material value, it will be charged. The review is based on the directors' assessments of the market value and the future economic benefit derived from an asset versus its carrying value in the financial statements.

When the company undertakes a significant refurbishment project that will have an economic benefit, the cost of the refurbishment is capitalised, recorded separately under 'Freehold Improvements', its useful life is estimated and it is depreciated over that useful life.

No depreciation is provided for in respect of investment properties in accordance with Section 16 of FRS102. Such properties are held for their investment potential and not for consumption within the business. Investment properties are stated at their fair value at the balance sheet date.

Ardingly College exercises judgement in selection of appropriate rates for depreciation of fixed assets, and for matters of impairment.

k) **Financial Instruments**

Ardingly College only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

l) **Securities and Fees in Advance Investments**

Securities and Fees in Advance investments are carried at fair value, which is deemed to be 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. Realised gains and losses are the difference between sales proceeds and opening market value where the investment was held at the beginning of the year, or sales proceeds less cost of purchase where the investment was acquired in the year. The revaluation reserve reflects the accumulated total of unrealised gains and losses. Uninvested cash is the balance of liquid cash, held as an investment, which has not been invested in securities.

m) **Stocks**

Stocks comprise raw materials, consumable stores and goods held for resale: they are valued at the lower of cost and net realisable value.

n) **Leasing Commitments**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives or the period of the lease whichever is the shorter. The interest element of the obligations is charged to the Statement of Financial Activities over the period of the lease. Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the lease term. Lease incentives are accounted for over the lease term on a straight-line basis.

o) **Fee Deposits**

Refundable fee deposits are currently classified between long term and short term in the financial statements. These deposits are refundable in the event that the pupils leave a school on one term's notice and as such the deposit would be refunded to the parents at that point. However, the financial statements are prepared on a going concern basis and it is assumed that the majority of children will remain in school for their full years of education and therefore the deposit will be refunded to them when they leave school.

Short term deposits reflect those pupils that will be leaving a school within one year, and the longer-term element reflects those pupils that will be leaving a school after 12 months from the balance sheet date.

p) **Fund Accounts**

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity. Endowment funds are further sub-divided into permanent and expendable, where required by the terms of the trust.

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

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

q) **Taxation**

Ardingly College is a registered charity and as such is exempt from income tax and corporation tax under the provisions of Section 478 of the Corporation Tax Act 2010. There is no similar exemption for VAT, which is included in expenditure or in the cost of assets as appropriate.

The school has subsidiary companies which are subject to taxes including corporation tax and VAT in the same way as any commercial organisation. The tax charged to the profit and loss account is based on the subsidiary company's profit for the year and takes into account tax arising because of timing differences between the treatment of certain items for tax and accounting purposes.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

Taxation (continued)

The subsidiary companies distribute the majority of their profits to Ardingly College under Gift Aid and tax liabilities are kept to a minimum.

2. CHARITABLE ACTIVITIES - SCHOOL FEES RECEIVABLE

	2020 £	2019 £
The school fees income comprises		
Gross fees	21,458,734	22,231,442
Less: Total scholarships, bursaries, etc	(2,194,296)	(2,191,252)
Add back: Scholarships, Grants etc paid for by Restricted Funds	-	18,708
	19,264,438	20,058,898

Scholarships, bursaries and other awards were paid to 294 pupils (2019: 386 pupils). Within this, means-tested bursaries totalling £423,500 were paid to 46 pupils (2019: £483,008 to 52 pupils)

3. CHARITABLE ACTIVITIES – ANCILLARY TRADING INCOME

	2020 £	2019 £
Extras	557,857	526,142
Entrance fees and registration fees	88,098	84,902
Pupil transport	47,640	64,034
Rent receivable and related income	-	-
Commissions and related income	48,803	78,090
Sundry other income	145,062	91,709
	887,460	844,877

4. OTHER TRADING ACTIVITIES

	2020 £	2019 £
Non-ancillary trading income		
Ardingly Projects Limited turnover	342,286	1,575,354
Ardingly College International Limited turnover	328,076	79,326
Lettings income	-	-
Rents receivable	97,799	119,117
Interest receivable – pupil bills	4,508	35,019
	772,669	1,808,816

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

5. INVESTMENTS - BANK AND OTHER INTEREST RECEIVABLE

	Unrestricted	Restricted	Endowed	Total 2020 £	Total 2019 £
Bank interest	3,502	-	-	3,502	15,822
Other interest	1,122	13,292	-	14,414	22,236
	<u>4,624</u>	<u>13,292</u>	<u>-</u>	<u>17,916</u>	<u>38,058</u>

6. OTHER - GRANTS AND DONATIONS

	Unrestricted	Restricted	Endowed	Total 2020 £	Total 2019 £
Sundry Bequests & Donations	79,264	110,625	-	189,889	351,334
Government Funding	1,167,160	-	-	1,167,160	-
Legacies	350,000	-	-	350,000	4,500
	<u>1,596,424</u>	<u>110,625</u>	<u>-</u>	<u>1,707,049</u>	<u>355,834</u>

Government funding relates to the Coronavirus Job Retention Scheme (CJRS) funding, received to cover a percentage of furloughed staff wages plus employer National Insurance and pension contributions. £1,167,160 of the unrestricted income in the current year (2019: £nil) and costs relate to the CJRS grant. No CJRS grants were claimed relating to government funded contracts where work and government funding has continued. There are no unfulfilled conditions and other contingencies attaching to grants that have been recognised in income. There are no other forms of government assistance from which the charity has directly benefited.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

7. ANALYSIS OF EXPENDITURE

a) Total expenditure

	Staff costs (note 9) £	Support costs £	Depreciation (Note 12) £	Total 2020 £	Total 2019 £
Costs of raising funds					
Non ancillary trading	354,422	569,452	-	923,874	1,290,831
Other income generating activities	-	-	-	-	-
Financing cost (note 8)	-	543,032	-	543,032	454,508
Investment management	-	-	-	-	-
Fundraising and development	47,937	32,455	-	80,392	82,381
Total cost of generating funds	402,359	1,144,939	-	1,547,298	1,827,720
Charitable expenditure					
Teaching	10,052,903	897,465	269,749	11,220,117	10,132,349
Welfare	1,313,618	1,020,289	1,489,020	3,822,927	3,870,324
Premises	1,538,135	2,195,377	36,314	3,769,826	3,580,481
School administration	1,154,946	982,607	82,985	2,220,538	2,375,172
Donations	-	-	-	-	-
Grants awards and prizes (note 7b)	-	6,543	-	6,543	15,985
Governance	-	36,475	-	36,475	30,905
Education and grant making	14,059,602	5,138,756	1,878,068	21,076,426	20,005,216
Total Expenditure	14,461,961	6,283,695	1,878,068	22,623,724	21,832,936

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

7. ANALYSIS OF EXPENDITURE (Continued)

b) Grants, awards and prizes

Ardingly College makes awards to individual families to support schooling.

	2020 £	2019 £
From Endowed Funds:		
Other grants and awards	-	-
From Restricted Funds:		
Other grants and awards	-	-
Prizes and leaving awards	4,448	15,985
From Unrestricted Funds:		
Other grants and awards	-	-
Prizes and leaving awards	2,095	-
	6,543	15,985

c) Total resources expended include:

Ardingly College reimburses governors for out of pocket expenses including travel subsistence and accommodation, where a claim is made. 2 governors were reimbursed during the year (2019: 3).

	2020 £	2019 £
Remuneration paid to auditor for audit services	24,817	17,717
Remuneration paid to auditor for non-audit services	-	-
Depreciation of tangible fixed assets:		
- owned by the Charitable Company	1,878,068	1,509,480
- held under finance leases and hire purchase contracts	-	-
(Profit)/loss on disposal of fixed assets	(2,078)	(5,450)
Operating lease rentals:		
- land and buildings	-	-
- other assets	51,707	51,916
Cost of stock/inventories recognised as an expense in the period	872,597	1,066,534
Reimbursement of personal expenses to governors	216	1,996

8. FINANCING COSTS

	2020 £	2019 £
Bank interest payable	350,809	359,870
Other interest payable	-	-
Fees In Advance debt financing costs	-	-
Lease finance costs	-	-
Pension Scheme financing cost	-	-
Bank charges	31,319	58,875
Other finance costs	-	-
Provision for bad and doubtful debts	160,904	35,763
	543,032	454,508

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

9. STAFF COSTS

	2020 £	2019 £
The aggregate payroll costs for the year were:		
Wages and salaries	11,639,695	11,141,867
Social security costs	1,094,768	1,053,532
Other pension costs	1,727,498	1,240,396
Private medical insurance	-	2,537
	14,461,961	13,438,332

Included in staff costs are redundancy or termination payments totalling £55,238 (2019: £12,096).
The amount outstanding at the year-end was £16,320 (2019: £nil).

None of the governors received remuneration or other benefits from Ardingly College or from any connected body.

The Head of College, Head of Senior School, Prep School Head and the Director of Finance & Resources are classed by the school as being the Key Management Personnel.

	2020 £	2019 £
Aggregate employee benefits of key management personnel	603,446	631,620

The number of higher paid employees whose annual emoluments were £60,000 or more was:

	2020 No	2019 No (restated)
£60,001 - £70,000	8	7
£70,001 - £80,000	2	2
£80,001 - £90,000	1	2
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
£110,001 - £120,000	-	-
£120,001 - £130,000	-	-
£130,001 - £140,000	-	-
£140,001 - £150,000	-	-
£150,001 - £160,000	-	1
£160,000 - £170,000	-	-
£170,000 - £180,000	1	-

The number with retirement benefits accruing:
- in Defined Contribution schemes was

5 5

Of which the contributions amounted to

£70,758 £67,145

- in Defined Benefit schemes was

8 8

Of which the contributions amounted to

£137,896 £95,588

For 2020 there are nil (2019: nil) employees earning over £60,000 per year that have chosen not to participate in a pension scheme.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

9. STAFF COSTS (Continued)

The average number of employees during the year calculated on a head count basis, was 468
(2019: 429)

	2020 No	2019 No
Teaching	152	145
Welfare	114	102
Premises	35	33
Support	81	74
Other activities	86	75
	<hr/> 468 <hr/>	<hr/> 429 <hr/>

10. DIRECTORS

None of the directors (or any persons connected with them) received any remuneration during the year.
Scholarships totalling £3,358 were awarded to children of 1 director attending the school (2019: £nil).

11. TAXATION

The company is a registered charity and therefore no liability to taxation arises on its charitable activities.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

12. TANGIBLE FIXED ASSETS

Group and company	Freehold Land & Buildings £	Freehold Improvements £	Assets Under Construction £	Plant & Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost							
At 1 st September 2019	22,772,301	1,684,700	848,259	7,202,879	1,950,283	283,130	34,741,552
Additions	234,871	85,447	3,307,054	130,908	268,937	-	4,027,217
Disposals	-	-	-	(80,587)	(98,894)	-	(179,481)
Transfers	3,755,089	-	(3,755,089)	-	-	-	-
At 31st August 2020	26,762,261	1,770,147	400,224	7,253,200	2,120,326	283,130	38,589,288
Depreciation							
At 1 st September 2019	2,588,111	225,077	-	3,623,152	709,207	187,853	7,333,400
Charge for the year	695,445	153,131	-	645,956	350,034	33,502	1,878,068
Disposals	-	-	-	(80,587)	(93,172)	-	(173,759)
At 31st August 2020	3,283,556	378,208	-	4,188,521	966,069	221,355	9,037,709
Net book value at 31st August 2020	23,478,705	1,391,939	400,224	3,064,679	1,154,257	61,775	29,551,579
Net book value at 31 st August 2019	20,184,190	1,459,623	848,259	3,579,727	1,241,076	95,277	27,408,152

All assets are used for charitable purposes.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

13. SECURITIES INVESTMENTS

	Securities Investments 2020 £	2019 £
Group investments		
At 1 September	1,026,163	9,840
New money invested	-	1,022,829
Reinvested income	-	-
Amounts extracted	-	-
Investment management fees	-	-
Realised gains/(losses) on investments	-	-
Unrealised gains/(losses) on investments	(62,585)	(6,506)
Movement in uninvested cash	-	-
Group investments at 31 August	963,578	1,026,163
Investment in subsidiaries	3	3
Company investments at 31 August	963,581	1,026,166
Investments comprise:		
Listed investments		
Fixed interest	-	-
Equities	963,578	1,026,163
Unlisted investments		
Land and buildings	-	-
Other	-	-
Cash	-	-
Group investments at 31 August	963,578	1,026,163
Investment in subsidiaries	3	3
Company investments at 31 August	963,581	1,026,166

Ardingly College owns all of the share capital of Ardingly Projects Limited, a company incorporated in England/Wales and Ardingly College International Limited, a company incorporated in England/Wales. Further details are provided in note 32.

In addition to the above investments, cash balances within the Fees in Advance Scheme are included in current assets as cash deposits.

The main Securities Investments are held on behalf of Ardingly College by Hargreaves Lansdown. All investments are managed within the UK.

Holdings at the year-end comprising more than 5% of the total are:

HL Multi-Manager Income & Growth Trust	148,753
ASI Global Smaller Companies	62,942
Invesco UK Equity High Income	51,819
Fidelity Global Special Situations	49,270

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

14. DEBTORS

	Group 2020 £	2019 £	Company 2020 £	2019 £
School fees receivable	251,551	161,831	251,551	161,831
Trade debtors	276,869	180,563	18,418	3,259
Staff loans	-	-	-	-
Other debtors	228,787	93,909	228,787	34,765
Prepayments and accrued income	180,935	258,498	180,935	258,498
Tax recoverable	19,477	2,028	65	-
Amounts due from subsidiary company	-	-	452,355	602,202
Amounts due from parent company	17,298	11,188	17,298	11,188
	974,917	708,017	1,149,409	1,071,743

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

15. CREDITORS: amounts falling due within one year

	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans and overdrafts	192,192	184,866	192,192	184,866
Other loans	-	-	-	-
Net obligations under finance leases	-	-	-	-
Deposits from parents	339,051	362,296	339,051	362,296
Fees received from parents in advance of term	2,859,419	3,030,866	2,859,419	3,030,866
Trade creditors	992,343	1,070,941	885,279	1,048,778
Taxation and social security	7,249	14,736	-	240
Other creditors	215,642	175,289	197,482	178,452
Fees in Advance Scheme	116,297	113,546	116,297	113,546
Accruals	721,135	614,181	703,721	592,309
Deferred income	340,763	-	-	-
Amounts due to subsidiary company	-	-	-	-
Amounts due to parent company	-	-	-	-
	5,784,091	5,566,721	5,293,441	5,511,353

Ardingly College has an existing bank loan from Lloyds Bank Plc. The loan is secured against the College campus at a rate of interest of 5.845% over base rate and is repayable over a term of 25 years. A second loan was established in the year with Lloyds Bank Plc. The loan is for a maximum of £4m, with interest only payable for a period of three years, at a rate of 1.08% over the official bank base rate of the Bank of England. At the year end, £1.75m of the loan had been drawn down.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

16. CREDITORS: amounts falling due after one year

	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans and overdrafts	7,455,126	5,894,318	7,455,126	5,894,318
Fees received from parents in advance of term	-	-	-	-
Net obligations under finance leases	-	-	-	-
Deposits from parents	1,817,144	1,467,096	1,817,144	1,467,096
Other creditors	-	-	-	-
Fees in Advance Scheme	215,465	147,714	215,465	147,714
Amounts due to parent company	-	-	-	-
	<u>9,487,735</u>	<u>7,509,128</u>	<u>9,487,735</u>	<u>7,509,128</u>

Parents pay to the school a deposit of £2,000 or, in the case of parents living outside the EU, a sum equal to one term's fees in advance. The money may be returned, subject to specific conditions, on the receipt of a full term's notice. £1,000 of the deposit is applied against the first term's fees, then, assuming that the pupil remains in the school, (which the vast majority do based on historical information), refundable deposits will be applied against the final term's bill.

17. BANK LOAN

	2020 £	2019 £
The bank loan is repayable in instalments		
Due after 5 years	4,797,251	5,044,116
Due within 2 to 5 years	2,451,185	658,009
Due within 1 to 2 years	206,690	192,193
Due after more than one year	7,455,126	5,894,318
Due within 1 year	192,192	184,866
	<u>7,647,318</u>	<u>6,079,184</u>

18. FEES IN ADVANCE SCHEME

Parents and others may enter into a contract to pay for fixed contributions towards pupil tuition fees for a number of years in advance. The money may be returned subject to specific conditions on the receipt of notice. Assuming pupils remain in the school, fees in advance will be applied as follows:

	2020 £	2019 £
After 5 years	-	-
Within 2 to 5 years	76,520	-
Within 1 to 2 years	138,945	147,714
Due after more than one year	<u>215,465</u>	<u>147,714</u>
Within 1 year	116,297	113,546
	<u>331,762</u>	<u>261,260</u>

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

18. FEES IN ADVANCE SCHEME (Continued)

Summary of movements in liability	£
Balance at 1 September 2019	261,260
New contracts	186,368
Repayments	-
Amounts used to pay fees	(115,866)
Amount accrued to contract as debt financing cost	-
Balance at 31 August 2020	331,762

19. COMMITMENTS UNDER OPERATING LEASES

The future minimum commitments under non-cancellable operating leases are:

	Land and buildings		Other	
	2020	2019	2020	2019
	£	£	£	£
Within 1 year	-	-	64,477	49,997
Within 1 to 5 years	-	-	152,707	92,457
After 5 years	-	-	1,864	-
	-	-	219,048	142,454

20. SHARE CAPITAL

	2020	2019
	£	£
Authorised		
100 Ordinary Shares of £1 each	100	100
Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	100	100

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

22. FUNDS

Ardingly College's funds are analysed under the following headings:

a) ENDOWED FUNDS

The endowed funds of the Charity are funds set up by donors as permanent capital. The income generated is restricted to funding bursaries, grants and prizes.

b) RESTRICTED FUNDS

Special Trust Funds

These represent current gifts, donations and legacies etc. from external donors for specific purposes where there is no requirement to preserve capital. Expenditure directly financed by such gifts is shown under restricted funds.

At 31 August 2020, these were:

	£
Bursary Fund	301,073
Ardingly College Prize & Bursary Fund	113,850
Capital Projects	100,000
Student Hardship Fund	57,832
Strength & Conditioning Centre	31,207
150 th Anniversary events	10,000
	<u>613,962</u>

Bursary Fund: This comprises the funds received from the liquidation of the Woodard Schools (Southern Division) Benefit Fund in 2019. Ardingly College is holding this as a bursary fund to provide means tested grants to support the education of children at Ardingly.

Ardingly College Prize & Bursary Fund: Rental income received from the endowed property is held to fund prizes awarded to students.

Capital Projects: Donations to fund new capital works on the College campus, in this case the construction of the café.

Strength & Conditioning Centre: This fund is held to match the annual depreciation charge on the gym building and equipment.

Student Hardship Fund: This is held to provide support for bursary funded students to take part in overseas trips as part of their education. Students can apply for assistance with one trip throughout their education at Ardingly.

150th anniversary events: Donations towards the cost of staging events and performances to celebrate the 150th anniversary of the College. These were scheduled to take place in the latter part of the year, but have been postponed due the pandemic.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

c) UNRESTRICTED FUNDS

Unrestricted funds represent accumulated income from the school's activities and other sources that are available for the general purposes of the school.

At 31 August 2020, these were:

	£
Specific Development Campaigns	493,810
Drake Fund	1,263,467
Composition Fee Schemes	331,762
General Reserve	15,527,998
Pension Reserve	(1,325,000)
Trading Subsidiary	(428,759)
	<hr/>
	15,863,278

Specific Development Campaigns: This comprises funds from regular giving and legacy donations which have been designated for particular projects and initiatives. The major components of this are:

Greatest Need	£407,087
Science Projects	£ 29,155
Solar Car	£ 17,603
Capital Projects	£ 16,445
General Bursary	£ 7,239

Greatest Need: These funds have been boosted by the receipt of a generous legacy this year. Funds are held to be used towards causes which are considered by the Board to be the greatest priority and will generally contribute towards our bursary programme or capital works.

Drake Fund: This fund is formed from a generous legacy donation. Income generated from the fund will be used to fund bursaries and the purchase of equipment for College use.

Composition Fee Schemes: This comprises day and boarding fees paid in advance for up to three years and is applied to the individual fee accounts as they fall due.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Restricted £	Endowed £	Total 2020 £	Total 2019 £
Tangible fixed assets	29,262,166	-	289,413	29,551,579	27,408,152
Securities investments	957,308	-	6,270	963,578	1,026,163
Advance fees contracts	331,762	-	-	331,762	261,260
Net current (liabilities)/assets	(3,875,223)	613,962	(27,017)	(3,288,278)	(3,075,742)
Long term liabilities	(9,487,735)	-	-	(9,487,735)	(7,509,128)
Net pension liability	(1,325,000)	-	-	(1,325,000)	(1,736,000)
	15,863,278	613,962	268,666	16,745,906	16,374,705

	Unrestricted £	Restricted £	Endowed £	Total 2019 £	Total 2018 £
Tangible fixed assets	27,118,739	-	289,413	27,408,152	23,214,259
Securities investments	1,018,513	-	7,650	1,026,163	9,840
Advance fees contracts	261,260	-	-	261,260	-
Net current (liabilities)/assets	(3,588,550)	539,825	(27,017)	(3,075,742)	1,284,840
Long term liabilities	(7,509,128)	-	-	(7,509,128)	(7,628,723)
Net pension liability	(1,736,000)	-	-	(1,736,000)	(1,208,000)
	15,564,834	539,825	270,046	16,374,705	15,672,216

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

24. SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	At 1 Sept 2019 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31st Aug 2020 £
Endowed – Permanent						
Property	283,572	-	-	-	-	283,572
Shares	7,650	-	-	-	(1,380)	6,270
Revaluation	(21,176)	-	-	-	-	(21,176)
Total Endowment	270,046	-	-	-	(1,380)	268,666
Restricted Funds						
Bursary Fund	301,073	-	-	-	-	301,073
Ardingly College Prize & Donation Fund	104,755	13,544	(4,448)	-	-	113,851
Strength & Conditioning Centre	76,539	-	(45,332)	-	-	31,207
Student hardship	57,458	373	-	-	-	57,831
Capital Projects	-	100,000	-	-	-	100,000
150 th Anniversary events	-	10,000	-	-	-	10,000
	539,825	123,917	(49,780)	-	-	613,962
Unrestricted Funds						
Specific Development Campaigns	107,369	393,786	(7,345)	-	-	493,810
Bursary funds	-	35,478	(35,478)	-	-	-
Drake Fund	1,324,672	-	-	-	(61,205)	1,263,467
CJRS grant	-	1,167,160	(1,167,160)	-	-	-
Composition Fee Schemes	261,260	186,368	(115,866)	-	-	331,762
General Reserve	15,680,263	20,519,907	(20,672,172)	-	-	15,527,998
Pension Reserve	(1,736,000)	5,000	-	-	406,000	(1,325,000)
Trading Subsidiary	(72,830)	219,994	(575,923)	-	-	(428,759)
	15,564,734	22,527,693	(22,573,944)	-	344,795	15,863,278
Total Funds	16,374,605	22,651,610	(22,623,724)	-	343,415	16,745,901

Note 22 provides details of the individual funds.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

24. (Continued) SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	At 1 Sept 2018 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 August 2019 £
Endowed – Permanent						
Property	283,572	-	-	-	-	283,572
Shares	9,840	-	-	-	(2,190)	7,650
Revaluation Reserve	(21,176)	-	-	-	-	(21,176)
Total Endowment	272,236	-	-	-	(2,190)	270,046
Restricted Funds						
Bursary Fund	-	302,073	(1,000)	-	-	301,073
Ardingly College Prize & Donation Fund	107,763	12,977	(15,985)	-	-	104,755
Strength & Conditioning Centre	121,871	-	(45,332)	-	-	76,539
Student Hardship	57,117	341	-	-	-	57,458
Mark Lawrence Bursary	11,875	75	(17,708)	5,758	-	-
	298,626	315,466	(80,025)	5,758	-	539,825
Unrestricted Funds						
Specific Development Campaigns	74,466	53,761	(15,100)	(5,758)	-	107,369
Drake Fund	1,328,988	-	-	-	(4,316)	1,324,672
Composition Fee Schemes	219,743	232,038	(190,521)	-	-	261,260
General Reserve	14,685,690	21,911,779	(20,917,206)	-	-	15,680,263
Pension Reserve	(1,208,000)	42,000	-	-	(570,000)	(1,736,000)
Trading Subsidiary	365	556,889	(630,084)	-	-	(72,830)
	15,101,252	22,796,467	(21,752,911)	(5,758)	(574,316)	15,564,734
Total Funds	15,672,114	23,111,933	(21,832,936)	-	(576,506)	16,374,605

25. CAPITAL COMMITMENTS

At 31 August 2020, the group had no capital commitments:

	2020 £	2019 £
Expenditure contracted for but not provided in the accounts	0	3,432,562

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

26. PENSION SCHEMES

Teachers' Pension 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 £1,354,871 (2019: £891,000) and at the year-end £nil (2019 - £nil) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared 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%.

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

26. PENSION SCHEMES (Continued)

Ardingly College Retirement Benefit Scheme (A final salary pension scheme operated for Support staff)

Ardingly College (the Employer) operates a final salary pension scheme, the Ardingly College Retirement Benefits Scheme (the Scheme). The Scheme is a Registered Pension Scheme under Chapter 2 of Part IV of the Finance Act 2004. The Scheme is closed to new members.

Composition of the Scheme

A full FRS102 valuation was carried out for the Ardingly College Retirement Benefit Scheme as at 31 August 2020 by a qualified independent actuary. The assets of the scheme are held separately from those of the Employer. The major assumptions used by the actuary to value the assets and liabilities at the balance sheet date are:

	2020	2019
Inflation assumption (RPI)	3.2%	3.5%
Rate of increase in salaries	4.2%	4.5%
The assumed rate of increase to pensions in deferment	3.2%	3.5%
The assumed rate of interest to pensions in payment	3.1%	3.4%
Assumed rate used to discount scheme liabilities	1.7%	1.9%
Average life expectancy	90.4	90.3

The life expectancy shown is the average of the figures for men and women aged 45 and 65 at the effective date

Assumptions

The assumptions have been determined as follows:

- the discount rate is based on a yield curve constructed from the iBoxx sterling AA Corporate Bond Index at the effective date, at the duration of the liabilities;
- the rate of increase in the Retail Price Index (RPI) is derived from the difference in the yields on fixed and index-linked UK government bonds (gilts) at the effective date published by the Bank of England.
- future pay increases are assumed to be in line with the increase in the Retail Price Index plus 1% per annum.
- demographic assumptions are those used for the funding valuation as at 1 September 2017. They are described in the report on the valuation dated 10 October 2018.

Assets and Liabilities at each year end in accordance with FRS102 were:

	2020 £	2019 £
Total market value of assets	3,279,000	3,146,000
Present value of liabilities	(4,604,000)	(4,882,000)
Deficit	<u>(1,325,000)</u>	<u>(1,736,000)</u>

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

Analysis of amount recognised in Statement of Financial Activities

	2020	2019
	£	£
Current service cost	47,000	44,000
Net interest on defined benefit liability	33,000	34,000
Expenses paid from the Scheme	8,000	8,000
Total Cost	88,000	86,000

Analysis of amount recognised in other comprehensive income

	2020	2019
	£	£
Actual return on assets	136,000	269,000
Return on assets included in net interest	(60,000)	(81,000)
Asset gain/(loss)	76,000	187,000
Liability experience gain/(loss)	220,000	(95,000)
Change of assumptions gain/(loss)	118,000	(654,000)
Remeasurement gain/(loss) in other comprehensive income	414,000	(562,000)

Changes in the present value of the defined benefit liabilities are:

	2020	2019
	£	£
Opening value of liabilities	4,882,000	4,099,000
Interest cost	92,000	115,000
Service cost (including member contributions)	54,000	50,000
Experience (gain) / loss	(220,000)	95,000
Change of assumptions (gain) / loss	(118,000)	654,000
Benefits paid	(86,000)	(131,000)
Closing value of liabilities	4,604,000	4,882,000

Changes in the fair value of the assets are as follows:

	2020	2019
	£	£
Opening value of assets	3,146,000	2,891,000
Expected return	60,000	81,000
Asset gain	76,000	187,000
Contributions by employer	84,000	120,000
Contributions by members	7,000	6,000
Benefits paid	(86,000)	(131,000)
Expenses paid from the scheme	(8,000)	(8,000)
Closing value of assets	3,279,000	3,146,000

The total value of the assets is divided between the main asset classes as follows:

	At 31 Aug 20	At 31 Aug 19
Equities	31.6%	31.8%
Gilts	12.4%	13.9%
Bonds	29.5%	27.6%
Property	8.1%	7.5%
Cash	0.3%	0.1%
Annuities	18.1%	19.1%
Total	100%	100%

The assets above do not include any securities of, or property occupied by Ardingly College.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

26. PENSION SCHEMES (Continued)

Amounts for the current and previous four periods (in thousands):

	2020 £'000	2019 £'000	2018 £'000	2017 £'000	2016 £'000
Present value of liabilities	(4,604)	(4,882)	(4,099)	(4,398)	(4,677)
Total market value of assets	3,279	3,146	2,891	2,817	2,694
Deficit	(1,325)	(1,736)	(1,208)	(1,581)	(1,983)
Experience gain /(loss) on assets	76	187	75	97	349
Experience gain/(loss) on liabilities	220	(95)	97	80	83

The actual return on assets over the period was a gain of approximately £136,000 (2019: £269,000).

The total actuarial gain/loss for the period (being the sum of the liability experience gain/loss, the change of assumptions gain/loss and the asset gain/loss) was a gain of approximately £414,000 (2019: loss of approximately £562,000).

The Employer expects to contribute approximately £74,000 to the scheme in the year from the end of the period towards the deficit.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

27. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATIONS

	2020 £	2019 £
Net income for the period (as per the Statement of Financial Activities)	(34,699)	1,272,491
Adjustments for		
Depreciation charges	1,878,068	1,509,480
(Gains)/losses on investments	62,585	6,506
Dividends, interest and rents from investments	(17,916)	(38,058)
Financing costs	543,032	454,508
Loss/(profit) on the sale of fixed assets	(2,078)	(5,450)
Defined benefit pension scheme	406,000	(570,000)
(Increase)/decrease in stocks	119,064	(229)
(Increase)/decrease in debtors	(266,900)	360,630
Increase/(decrease) in creditors	216,843	1,037,147
Net cash provided by (used in) operating activities	2,903,999	4,027,025

28. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash in hand and at bank	1,803,028	1,875,428
Other loans	-	-
Overdraft facilities repayable on demand	-	-
Total cash and cash equivalents	1,803,028	1,875,428

29. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sept 2019 £	Cash flows £	Other non-cash changes £	At 31 Aug 2020 £
Cash and cash equivalents				
Cash	1,875,428	(72,400)	-	1,803,028
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
	1,875,428	(72,400)	-	1,803,028
Borrowings				
Debt due within one year	(184,866)	184,866	(192,192)	(192,192)
Debt due after one year	(5,894,318)	(1,753,000)	192,192	(7,455,126)
	(6,079,184)	(1,568,134)	-	(7,647,318)
Total	(4,203,756)	(1,640,534)	-	(5,844,290)

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

30. SUBSIDIARIES

The Company owns all the share capital of Ardingly Projects Limited, a company incorporated in England and Wales (Company number: 01931797). This company carries out trading activity on behalf of the College including commercial letting and sales from the school's tuck shop and uniform shop.

Ardingly Projects Limited had a turnover of £342,286 (2019: £1,582,658), gross profit of £15,838 (2019: profit £1,114,941), and a loss before tax and gift aid of £387,850 in the year ended 31 August 2020 (2019: profit of £303,381). At 31 August 2020 the company had negative shareholder's funds of £387,483 (2019: positive £367).

Ardingly Projects Limited paid rent of £77,203 (2019: £129,572) but no employment cost recharges (2019: £616,209) to Ardingly College Limited during the year. Ardingly Project Limited made a loss and therefore there is no gift aid payment to Ardingly College Limited. At year end, Ardingly Projects Limited owed Ardingly College Limited £359,136 (2019: £484,268).

The Company also owns all the share capital of Ardingly College International Limited, a company incorporated in England and Wales (Company Number 11540470). This company was incorporated on 28 August 2018 and carries out all activities relating to the setting up of educational partnerships with international schools.

Ardingly College International Limited had a turnover of £328,076 (2019: £79,326), gross profit of £146,618 (2019: £14,072), and a profit before tax of £31,921 in the year ended 31 August 2020 (2019: loss of £73,195). At 31 August 2020 the company had negative shareholder's funds of £41,273 (2019: negative £73,194).

Ardingly College International Limited paid rent of £855 (2019: £384) and employment cost recharges of £86,221 (2019: £32,341) to Ardingly College Limited during the year. At year end, Ardingly College International Limited owed Ardingly College Limited £93,220 (2019: £58,791) and Ardingly Projects Limited £nil (2019: £59,143)

Both subsidiaries have the same registered office of Ardingly College, College Road, Ardingly, Haywards Heath, West Sussex, RH17 6SQ.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

31. Consolidated Statement of Financial Activities – Comparative figures by fund type

Year Ended 31 August 2019	Unrestricted £	Restricted £	Endowed £	Total £
Income and endowments from Charitable activities				
School fees receivable	20,058,898	-	-	20,058,898
Ancillary trading income	844,877	-	-	844,877
Other trading activities				
Non-ancillary trading income	1,773,797	-	-	1,773,797
Other Activities	35,019	-	-	35,019
Investments				
Investment income	-	-	-	-
Bank and other interest	24,665	13,393	-	38,058
Voluntary sources				
Grants and donations	53,761	302,073	-	355,834
Other Income	5,450	-	-	5,450
Other incoming resources				
Total Incoming Resources	22,796,467	315,466	-	23,111,933
Expenditure on:				
Raising funds				
Non ancillary trading	1,290,831	-	-	1,290,831
Other income generating activities	-	-	-	-
Financing costs	454,508	-	-	454,508
Investment management	-	-	-	-
Fundraising and development	82,381	-	-	82,381
Total Deductible Costs	1,827,720	-	-	1,827,720
Charitable activities				
Education and grant making	19,925,191	80,025	-	20,005,216
Total resources expended	21,752,911	80,025	-	21,832,936
Net gains/(losses) on investment assets	(4,316)	-	(2,190)	(6,506)
Net income/(expenditure)	1,039,240	235,441	(2,190)	1,272,491
Transfers between funds	(5,758)	5,758	-	-
Other recognised gains/(losses)				
Pension scheme actuarial gains/(losses)	(570,000)	-	-	(570,000)
Net movement in funds for the year	463,482	241,199	(2,190)	702,491
Fund balances at 1 st September	15,101,252	298,626	272,236	15,672,114
Fund Balances at 31st August	15,564,734	539,825	270,046	16,374,605

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2020

32. ULTIMATE CONTROLLING PARTY

The Woodard Corporation Limited is the ultimate controlling party, a registered charity number 1096270, which is incorporated in England and Wales. Copies of the financial statements of the Woodard Corporation can be obtained from High Street, Abbots Bromley, Rugeley, Staffordshire, WS15 3BW. The accounts of Ardingly College Limited are included within the consolidated financial statements of the Woodard Corporation Limited.

33. RELATED PARTIES

As stated in note 32, Ardingly College Limited is a wholly owned subsidiary of The Woodard Corporation. An amount of £91,313 was paid during the year to Woodard Corporation by way of a levy to meet running costs.

The company also controls two subsidiary trading companies, Ardingly Projects Limited, and Ardingly College International Limited; the results of which are detailed in Note 30.

During the year the company was charged professional fees of £53,190 by Savills (UK) Ltd of which Guy Dixon is a Director and Professional fees of £27,649 by Knights Professional Services Ltd of which Sian Champkin is a Partner and employee.

The fees were charged on an arm's length basis and no amounts were outstanding at year end. All conflicts have been recorded on Declaration of Interest forms and also at the start of relevant Governor meetings to be included in the minutes.

34. ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the financial statements, the directors are required to make estimates and judgements. The matters detailed below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported in the results of operations, financial position and cashflows. Accounting policies are shown at note 1 to the financial statements.

Actuarial assumptions in respect of defined benefit pension schemes

The application of actuarial assumptions relating to defined benefit pension schemes is incorporated in the financial statements in accordance with FRS 102. In applying FRS 102, advice is taken from independent qualified actuaries. In this context, significant judgement is exercised in a number of areas, including future changes in salaries and inflation, mortality rates and the selection of appropriate discount rates.

Provision for bad debts

Debts are provided for if not recovered within one term. Estimating amounts to provide against recovery of debts is a matter of judgement.

Depreciation, impairment and residual values of fixed assets

Judgement is exercised in estimating the residual values of fixed assets, the selection of appropriate rates for depreciation, and for matters of impairment.