

**LOCHINVER HOUSE SCHOOL**  
**(Limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Charity Number: 1091045**  
**Company Number: 04374254**

HEAD'S REPORT

As Headmaster, I am pleased to reflect on another year of joyful and successful learning at Lochinver House. The past twelve months have seen our school community thrive, with a shared commitment from staff and parents to ensure the very best outcomes for our pupils.

Lochinver House is a special place, defined by its close-knit community. We understand that for our pupils to excel, they need to feel secure, valued, and supported in their learning. This year, we have continued to prioritise pastoral care, offering a wide range of support systems that our pupils appreciate and trust. With this solid foundation, they flourish academically and personally, embracing the numerous curricular and co-curricular opportunities available to them.

At the heart of our ethos are the core values of Kindness, Honesty, and Respect. These values are more than just words—they are embedded in daily life and guide the character development of every child. We are dedicated to nurturing well-rounded individuals, equipping them with the skills, aptitudes, and moral compass needed to navigate an ever-changing world.

We recognise that the future is both exciting and increasingly complex. As such, we continuously assess how best to prepare our pupils for the challenges and opportunities that lie ahead. With a diverse pupil body representing a wide range of cultural backgrounds and global perspectives, we are committed to fostering an inclusive environment where every pupil is encouraged to think independently and globally.

This year, we unveiled our new vision: *"A school that shapes global citizens, empowered with the skills and knowledge to make a positive difference in the world."* Our updated School Aims reflect this vision, focusing on:

- **Nurture** well-mannered pupils with moral courage, at ease with themselves, and who are inclusive of others
- **Inspire** pupils through an education of breadth and depth, with a global mindset
- **Encourage** pupils to be intellectually curious, ambitious and not to fear failure
- **Challenge** pupils to be independent thinkers, who value different perspectives

These principles resonate deeply within our school community and appeal to prospective families. Over the past year, we've seen significant interest in our new nursery, *Little Lochies*, which opens in September 2024. Enrollment inquiries have exceeded expectations, underscoring the demand for our early years provision.

In response to evolving parental preferences, we have also made the exciting decision to transition to co-education starting in September 2025. This phased introduction will begin with our youngest pupils, allowing us to ensure a smooth and thoughtful transition. The response from prospective parents has been overwhelmingly positive, with growing interest from families of both boys and girls.

This year has been filled with remarkable achievements. Our pupils have excelled in sports, music, drama, technology, and academic competitions. Highlights include the U11 football team becoming regional champions, qualifying for the ISFA National Finals, and our U13 basketball team winning the IAPS Nationals. Our pupils also enjoyed memorable trips, including a ski tour to the Dolomites and cultural excursions to Italy and France. Outdoor learning is highly valued, and our Forest School programme has continued to excite and provide wonderful personal development opportunities, as have our outward-bound trips. In technology, our pupils reached the National Vex Robotics championships, showcasing their innovation and problem-solving skills.

The arts remain a cornerstone of life at Lochinver House. Over 200 individual music lessons take place each week, with pupils achieving up to Grade 8 in various instruments. Our younger choir members had the unforgettable experience of performing at the O2 Arena for the *Young Voices* national event, while we were once again invited to sing at St Paul's Cathedral. Drama, too, has flourished, with Year 8's final production being a highlight of the year. Our artists have excelled in competitions and taken part in some amazing exhibitions. Their self-expression has shone through a range of mediums, with great success.

Academically, we continue to see very strong success in 11+ and 13+ exams, with a high proportion of pupils gaining entry to their first-choice senior schools. This success is a testament to our purpose-built curriculum and the dedication of our talented staff, who go above and beyond to ensure each child reaches their full potential. Our destination senior schools are aspirational, and the number of places gained by our pupils is exceptionally high.

Our relationship with parents is central to our success. We value the close partnership between home and school and are grateful for the ongoing support of our proactive PTA, whose events further strengthen our vibrant community.

In summary, the 2023-24 academic year has been one of growth, achievement, and innovation. I extend my deepest gratitude to our dedicated staff, enthusiastic parents, and, most importantly, our wonderful pupils, whose successes we celebrate with pride.

**Jonathan Wadge**

Headmaster

## LOCHINVER HOUSE SCHOOL

### GOVERNORS' REPORT

#### FOR THE YEAR ENDED 31 AUGUST 2024

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The Directors present their report and audited financial statements for the year ended 31 August 2024.

#### Reference and Administrative Information

Lochinver House School was founded by Trust Deed in 1947. A Company Limited by Guarantee, Lochinver House School, was incorporated on 14 February 2002 to own and manage the school. The assets and liabilities of the school were transferred from Lochinver House School Trust to the Limited Company on 1 April 2002 when it commenced its educational activities. The school is a registered charity, number 1091045 and is constituted as a company limited by guarantee. Its objects, powers and other constitutional matters are set out in its Memorandum and Articles of Association. It is governed by a Board of Governors which is responsible for setting the strategic direction of the school and for establishing policy. The financial statements and report comply with the current statutory Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015), The Charities Act 2011 and the Companies Act 2006.

#### Directors

The governing body of the company is known as the Board of Governors. The Members of the Board are also the charity Governors for the purposes of charity law and Directors for the purpose of company law. They are also the company members. Throughout this report they are collectively referred to as the Governors. Those who served during the year and since the year end were:

N Gilbert	Chair
D A Taylor	Vice Chair & Chair: Nominations and Governance Committee
B Aitken	Chair: Finance and General Purposes Committee
H Chapman	Appointed: 1 September 2024
M Collier	Resigned: 15 February 2024
S Coombs	Resigned: 4 October 2023
A English	Resigned: 6 December 2023
J Gillespie	Resigned: 11 July 2024
D Hamalis	Chair: Education Committee, Safeguarding Lead
O Jacobs	Resigned: 19 June 2024
S Joshi	Appointed: 1 September 2024
R Lane	Appointed: 1 September 2024
J Le Couilliard	
C Mills	Appointed: 4 October 2023
K Owen	Appointed: 1 September 2024
H Philp	Resigned: 20 March 2024
G Sriskanthan	Appointed: 1 September 2024
J Taylor-Cummings	
A Walker	
A Ward	

The Governors are elected at a full Governors' Meeting for a term of three years. They can be re-elected for up to three further consecutive terms of three years but shall not then be eligible for re-election without a break of at least twelve calendar months except by resolution of the Board.



**Key Executives and Professional Advisers**

<b>The Head</b>	J Wadge BA (Hons), PGCE, NPQH
<b>Bursar / Company Secretary</b>	J Long
<b>Address</b>	Lochinver House School Heath Road Little Heath Potters Bar Hertfordshire EN6 1LW
<b>Bankers</b>	National Westminster Bank Commercial Banking 1st Floor 30 Clarendon Road Watford, Hertfordshire WD17 1GQ
<b>Solicitors</b>	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
<b>Auditors</b>	HaysMac LLP 10 Queen Street Place London EC4R 1AG

## **LOCHINVER HOUSE SCHOOL**

### **GOVERNORS' REPORT (continued)**

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

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#### **Structure, Governance and Management**

##### **Governing Document**

The Company is governed by its Articles of Association. The Articles were reviewed and updated in 2024. The objects of the Company are 'to advance education for the public benefit, including (but not limited to) the operation of the school known as Lochinver House School, Potters Bar'.

##### **Governing Body**

The Governors are Directors and are elected at a meeting of the Board of Governors. Governors are recruited by nomination taking regard of special skills, personal qualities and the principles of diversity and inclusion to ensure that the Board retains an effective balance of expertise to strengthen the management of the Charity and reflects the composition of its stakeholders. Governors are eligible to serve for an initial period of three years.

##### **Governor Training**

New Governors are provided with an induction pack containing Board policy and procedures, schemes of governance and information regarding the work and operations of the School. Governors are encouraged to attend suitable training courses which deal with their responsibilities in relation to the Companies Act, Charity Law and Department for Education requirements as the need arises and are encouraged to attend new Governor induction courses.

##### **Organisational Management**

There are normally three full Board Meetings each year where the Governors meet and review the policies of the Charity for which they are responsible. The Finance and General Purposes Committee meet to review budgets, accounts and reports and makes recommendations to the Board of Governors. The Governors have a programme of regular visits to the school to witness and monitor the charity's work in action. Day to day running of the School is delegated to the Head and the Bursar, supported by the School Senior Leadership Team.

The school, through its officers, is represented in several organisations including the Association of Governing Bodies of Independent Schools (AGBIS), the Independent Association of Prep Schools (IAPS) and the Independent Schools' Bursars' Association (ISBA).

##### **Structure and Relationships**

The Head is an active member of IAPS which promotes and maintains standards in preparatory schools. The school takes an active part in numerous professional studies for the evaluation of quality and performance.

We co-operate with as many local charities, clubs and associations as we can to widen public access to the education we provide and promote the educational benefits of using our sporting facilities. We have an arrangement with a local state junior school that use our science laboratories each week which makes a positive contribution to their education.

##### **Objects, Public Benefit, Aims, Objectives and Principal Activities**

The school's aim is to provide public benefit, in compliance with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance, and in accordance with its Articles of Association, which is to advance education through the operation of Lochinver House School.

##### **Strategic Aim and Intended Effect**

The Board's strategic aim is to reach its annual objective for the public benefit as a charitable Independent School through the provision of a high-quality education for children between the ages of four and thirteen to allow them to achieve the highest academic standards in preparation for entry into the senior school of their own and their parents' choice.

## **LOCHINVER HOUSE SCHOOL**

### **GOVERNORS' REPORT (continued)**

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

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Our wider admission policy enables us to help a small number of boys from lower income or otherwise disadvantaged families to benefit from the core educational provision and the extra-curricular programme. The school also aims to draw out all boys' abilities and academic potential and to develop their wider interests in life within a secure and stable environment to enable them to participate in society and their community.

#### **Principal Activity**

The school's principal activity continues to be the provision of an excellent standard of education for boys aged four to thirteen.

#### **Objectives**

The Board's main objective is to educate all pupils to a high standard each year, which benefits their chosen senior school for the completion of their education. The school is in the process of developing a new five-year strategy under the leadership of the new Head. The school is committed to reviewing its academic syllabus and teaching methods. The facilities are upgraded regularly to provide modern buildings and amenities, which stimulate the pupils in all areas of their development.

The Board's other objective is to develop bursaries with a view to further increasing the School's intake of boys from lower income families and to extend working arrangements with other charities and state schools to provide access to our facilities for those who cannot come to the School itself. We set aside funds for bursary awards to help a few boys in need of assistance with school fees.

#### **Review of Achievements and Performance for the Year**

##### **Academic**

The achievements of pupils demonstrate the school's continued success. Lochinver pupils are in demand and in the last 10 years we have sent them to over 20 different schools. Our leavers gain successful entry to their chosen senior schools. 29 boys transitioned at 13+: Aldenham 3, Haileybury 3, Harrow 1, Merchant Taylors 2, Mount House 1, St Albans 11, St Columba's College 2, St Margaret's 3, St Edmund's 1 and Habs Boys 1. A further 18 boys left us at 11+: Aldenham 1, Alexandra Park Academy 1, Ark Pioneer Academy 2, Dame Alice Owen 2, Goffs Academy 1, Haileybury 1, Latymer 1, Manchester Grammar School 1, QE Boys 1, Sevenoaks School 1, St Albans School 3 and Habs Boys 3. These accomplishments have been made possible by the recruitment of the highest quality staff and by maintaining a high teacher to pupil ratio which ensures that teaching methods can be suited to individual needs. Teaching staff regularly attend training courses in order to enhance their personal performance and to improve the quality of the curriculum. The school reviews its academic syllabus and teaching methods to benchmark standards and value-added criteria.

##### **Extra-Curricular activities**

During the year the School ran various overseas trips, as well a full summer programme of UK-Based residential term-time trips that were offered to every pupil in Years 5-8. The School maintained its wide educational programme to provide as many extra-curricular activities for the children as possible. Hence, educational visits have been undertaken and workshops have been provided. Extended care at both ends of the day has enriched children's experience and has supported and enabled working parents.

Music remains very strong at the school with a large uptake of participants. Many of our boys learn an instrument with half of those learning two or more to progress through ABRSM grade exams. Our weekly composition club which builds on class music lessons and the use of Sibelius software led to boys hearing their own compositions being played by a visiting professional string quartet.

The school continues to put out a tremendous number of sports teams, supporting inclusion as well as performance at the highest level. This year, once again, we competed against other schools across a wide range of sports including, basketball, rugby, football, athletics, cricket and cross country.



## **LOCHINVER HOUSE SCHOOL**

### **GOVERNORS' REPORT (continued)**

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

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##### **Developments in the School**

During the year the school commissioned a range of projects to improve the fabric of the school and enhance facilities for the boys. Two significant projects were undertaken during the summer holidays. One was the redevelopment of the building adjacent to the central playground and the second project was to develop the Pre Prep Building in readiness for our incoming Little Lochies in September 2024.

We have installed a sail to provide protection from the elements in the pre prep play area, improved toilet facilities in the Pre-Prep building, re-developed the Atrium to provide a flexible space for welfare activities, completed the installation of LED lighting throughout the School and redecorated many areas as part of our annual maintenance programme. We continue to invest in IT and digital resources for the benefit of the boys, including a full upgrade of the school Wi-Fi and firewall. All boys in year 5 and above have the use of their own iPad, with classes in lower year groups all having direct access to one-to-one portable devices.

##### **Public Benefit**

The Governors have considered the requirements explained in guidance produced by the Charity Commission, on their duty to report in the Annual Report on public benefit.

##### **Bursaries**

The Governors recognise that the level of independent education fees may exclude many boys from applying for a place at the School but they are committed to widening the access to the education offered. Accordingly, the Governors set a fixed sum to provide bursaries for those boys whose parents could otherwise not afford to send them to our School. The Governors have a formal Bursary Policy and a Governors' Bursary Award Committee assesses all applications and report to the Board. Details of bursaries are included on the School Website. The Governors budgeted £110,000 for bursaries in 2023/24 (2022/2023: £134,000) an amount which is reviewed on an annual basis.

In 2023/24 the School supported eleven (2022/23: seven) pupils through our Bursary Scheme, one (2022/23: one) of whom were on a full bursary. The support which is available on a needs basis as determined by the Governors' Bursary Award Committee reduced annual income from scale fees by £127,436 (2022/23 £77,599). The Governors have increased the level of funding for bursaries for the financial year 24/25 and continue to seek to recruit bursary candidates via the Admissions process.

##### **Other Public Benefit**

The school continues to support various good causes via the Head Boys' Charities. The donations support various national and local charities which benefit the community. In 2023/24 the charities were Downs Syndrome Association, Herts Young Homeless and British Heart Foundation.

The facilities of the school are made available to outside organisations to benefit the education of children and adults. School links with the community continue with our association with the local youth organisations. We also have strong links with the residents' association, printing their newsletters in-house.

##### **Equality Diversity and Inclusion (EDI)**

The Board views EDI as an "all school" strategic priority in which all stakeholders are involved in the development and implementation, allowing us to gain a better understanding of the lived experiences of our pupils, staff, parents and community. Our EDI strategy sits alongside our Equal Opportunities Policies. A key mission is to achieve an enriched community becoming more equitable, diverse and inclusive; strengthened and anchored by our Core Values of Honesty, Kindness and Respect.

##### **Charity Fundraising**

The school has not made any fundraising appeals to the public during the year and is unlikely to do so in the future. There has been no outsourced fund raising via professional fundraisers or other third parties. As a result, the charity is not registered with the fundraising regulator and received no fundraising complaints in the year.



## **LOCHINVER HOUSE SCHOOL**

### **GOVERNORS' REPORT (continued)**

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

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#### **Volunteers**

Volunteers from our parent body continue to provide invaluable support to our educational programme. The school continues to enjoy the support of volunteers and parental helpers in the classroom. The level of this voluntary service is invaluable to the school in providing the excellent level of education to which the school is committed. The Governors would like to thank all those volunteers for their valuable support. The school also appreciates the number of parents who donate their time to take boys for reading support. The Parent Teacher Association meets regularly to organise and run social events to raise funds for the school. In 2023/24 these included the Christmas Fayre, Easter Egg Hunt, Summer Fete and the ever-popular Bingo Night.

#### **Looking ahead**

In September 2024 we will open our pre-prep, welcoming Little Lochies into our growing community. The following year we are excited to welcome girls into Little Lochies, Reception and Years 1 and 2 as we mark the start of our journey as a coeducational prep school.

From September 2024, throughout the pre-prep we will be following the International Early Years Curriculum and the International Primary Curriculum, which offers a holistic approach to learning, integrating multiple subjects, encouraging inquiry-based learning and promoting the development of key skills, knowledge and understanding across various disciplines.

In September 2024 we are also excited to have appointed our first Forest School teacher to support the broad holistic approach to learning outside of the classroom.

#### **Financial Results**

The results are shown in the accompanying financial statements on pages 15 to 28. During the financial year, the School generated income of £5,824,940 (2023: £5,514,176) from school activities.

Expenditure of £5,896,333 (2023: £5,377,292) was incurred.

Additions to fixed assets totalled £244,412 (2023: £1,128,859) and included £47,963 (2023: £46,513) for computer equipment, £112,003 (2023: £559,450) on building improvements and equipment, £28,740 (2023: £48,261) on motor vehicles, and £55,706 (2023: £474,635) on fixtures & fittings.

The School has an objective to achieve a surplus each year to ensure that there are sufficient reserves to manage the School prudently and to provide funds for future capital expenditure. The accumulation of reserves to date enables the ongoing implementation of the School's Development Plan. However, in the year under review there was a deficit of £71,393 (2023: surplus of £122,134) as a result of a number of non-recurring costs including legal and actuarial fees to support the TPS consultation, preparing for the opening of Little Lochies, legal costs in connection with the decision to go co-educational from September 2025 and marketing and strategic advice to support the School in navigating the challenges that the sector is facing.

Notes 13 to 16 split the reserves between those held for a specific purpose (restricted funds) and those available for the day-to-day requirements of the School (unrestricted funds). The School's assets are considered sufficient to meet its obligations.

#### **Key management personnel**

The Governors have identified the Head and Bursar as key management personnel. The salary of these key management personnel is set by the Board of Governors after assessing their performance and reviewing market benchmarks.

## **LOCHINVER HOUSE SCHOOL**

### **GOVERNORS' REPORT (continued)**

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

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#### **Investment Performance**

The Articles of Association permit funds to be invested in such investments, securities and property as may be thought fit. At present investment income is generated by placing funds with up to three separate banks to minimise risk, as determined by the Bursar, to whom such responsibilities are delegated by the Governors under the Terms of Reference of the Treasury Policy.

#### **Resources and reserve policy**

The school's unrestricted funds represent two types of fund. The designated "School Buildings" of £5,671,812 (2023: £5,671,812) represents unrestricted funds retained to finance the freehold property of the school. The balance of the unrestricted funds of £4,019,209 (2023: £4,090,086) represents general reserves to cover normal fluctuations in working capital, to finance the continuing development of the School and to help fund provision for bursaries. The balance of restricted funds is £7,770 (2023: £8,286) which represent funds raised by the boys for external charitable purposes.

#### **Principal Risks & Uncertainties**

The Governors carry out regular reviews of the school's activities and operations. As part of that review process the Nominations and Governance Committee reviewed the actions taken, or proposed to be taken, by the School to identify and manage the main risks to which the School is exposed. Through the reports and recommendations of the Nominations and Governance Committee, the Governors monitor the effectiveness of the school's internal policies and procedures for the management of such risks, including the adequacy of the school's insurance cover.

The school has identified the following as the principal risks it faces: –

- The turmoil in the sector that has resulted from the current government's pledge to introduce VAT on School fees. All schools are considering their long-term viability, and this has resulted in unprecedented changes in the way the sector meets the shifting demand for independent school education. The number of school mergers, acquisitions and closures is on scale that is creating waves in a normally stable sector. The Governors at Lochinver continue to closely monitor developments and will continue to respond to local developments to secure the future of the school.
- Maintaining pupil numbers when birth rates are declining nationally poses a financial risk. We also know that the imminent imposition of VAT on school fees will put further pressure on parents, many of whom are already making significant sacrifices to support the cost of the children's education. Strategies for managing this risk include the introduction of Little Lochies in September 2024 and the move to coeducation the following year. We have also invested in marketing which is fundamental to pupil recruitment and retention.
- The capacity of the school to adapt practically and efficiently to changes in the legislative requirements for the education and charity sectors. Strategies for managing this risk include detailed financial planning to ensure that the school has robust plans to mitigate the impact of the imposition of VAT on school fees and other such changes when implemented. The School also has a dedicated HR & Compliance Manager and compliance is addressed at every meeting of the Board of Governors. Senior staff and Governors undertake frequent training and receive sector updates to ensure they remain well informed of upcoming legislative changes.

The Board recognises that it is impossible to guarantee that all risk has been eliminated entirely but strives to ensure strategies, systems and plans are in place to mitigate identifiable risks.

## LOCHINVER HOUSE SCHOOL

### GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

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#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Governors (who are also Directors of Lochinver House School for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

So far as each of the Governors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### AUDITOR

HaysMac LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

In approving this Governors Report, the Board are also approving the Strategic Report included herein their capacity as company directors.

Approved by the Board of Directors at its meeting on 11 12. 2024 and signed on its behalf by:



N D Gilbert  
Chair



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOCHINVER HOUSE SCHOOL

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### Opinion

We have audited the financial statements of Lochinver House School for the year ended 31 August 2024 which comprise of the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

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

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.

### 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 Governors' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Governors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the strategic report and the directors' report).

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

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

### **Responsibilities of Governors for the financial statements**

As explained more fully in the Governors' responsibilities statement set out on page 10, the Governors 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 Governors 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 Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to ISI regulations, health and safety law, safeguarding regulations, GDPR and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 211 and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journals to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOCHINVER HOUSE SCHOOL (continued)

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Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

### Use of our report

This report is made solely to the 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.



Thomas Wilson (Senior Statutory Auditor)  
For and behalf of HaysMac LLP, Statutory Auditor  
Date 18/12/24

10 Queen Street Place  
London  
EC4R 1AG



# LOCHINVER HOUSE SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES (Incorporating income and expenditure account)

FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Restricted Fund £	Unrestricted Fund £	Total 2024 £	Total 2023 £
<b>INCOME FROM:</b>					
<b>Voluntary Income</b>					
Donations		9,234	11,496	20,730	24,506
<b>Charitable activities</b>					
School Fees receivable	2	-	5,508,912	5,508,912	5,295,335
Registration fees and other income	3	-	184,581	184,581	139,885
<b>Other trading activities</b>					
Rents and lettings		-	13,067	13,067	7,871
Investment income	6	-	87,888	87,888	46,579
<b>Other Income</b>		-	9,762	9,762	-
<b>Total income</b>		<u>9,234</u>	<u>5,815,706</u>	<u>5,824,940</u>	<u>5,514,176</u>
<b>EXPENDITURE ON:</b>					
<b>Charitable Activities</b>					
School Operating costs		9,750	5,886,583	5,896,333	5,392,042
<b>Total expenditure</b>	7	<u>9,750</u>	<u>5,886,583</u>	<u>5,896,333</u>	<u>5,392,042</u>
<b>Net (expenditure)/income</b>		(516)	(70,877)	(71,393)	122,134
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<u>(516)</u>	<u>(70,877)</u>	<u>(71,393)</u>	<u>122,134</u>
Balances brought forward		8,286	9,761,898	9,770,184	9,648,050
<b>Balances at carried forward</b>	13	<u>£7,770</u>	<u>£9,691,021</u>	<u>£9,698,791</u>	<u>£9,770,184</u>

There were no acquisitions or discontinued activities during the year. There were no other recognised gains or losses during the year.

The accompanying notes form part of these accounts.

## BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	£	2024	£	£	2023	£
<b>FIXED ASSETS</b>							
<b>Tangible assets</b>							
School land, buildings and equipment	9			6,397,336			6,451,769
<b>CURRENT ASSETS</b>							
Debtors	10	203,635			160,226		
Cash at bank and in hand		4,364,304			4,868,304		
		<u>4,567,939</u>			<u>5,028,530</u>		
<b>CREDITORS:</b> amounts falling due within one year	11	(1,120,609)			(1,556,390)		
<b>NET CURRENT ASSETS</b>				3,447,330			3,472,140
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				<u>9,844,666</u>			<u>9,923,909</u>
<b>CREDITORS:</b> amounts falling due after one year	12			(145,875)			(153,725)
<b>TOTAL NET ASSETS</b>				<u>£9,698,791</u>			<u>£9,770,184</u>
<b>CAPITAL AND RESERVES</b>							
Unrestricted funds	13						
Designated: School Buildings				-			5,671,812
General funds				9,691,021			4,090,086
	15			<u>9,691,021</u>			<u>9,761,898</u>
Restricted funds	16			7,770			8,286
				<u>£9,698,791</u>			<u>£9,770,184</u>

Approved by the Board of Directors at its meeting on 11 December 2024 and signed below on its behalf by:



N D Gilbert  
Chair of Governors

**LOCHINVER HOUSE SCHOOL**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 AUGUST 2024**

		<b>2024 £</b>	<b>2023 £</b>
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by operating activities</b>	<b>A</b>	<b>(364,877)</b>	<b>809,164</b>
<b>Cash flows from investing activities:</b>			
Interest received		87,888	46,579
Proceeds from sale of fixed assets		17,401	3,050
Payments for tangible fixed assets		(244,412)	(1,128,860)
<b>Net cash used in investing activities</b>		<b>(139,123)</b>	<b>(1,079,231)</b>
<b>Change in cash in the reporting year</b>		<b>(504,000)</b>	<b>(270,067)</b>
<b>Cash at the beginning of the reporting year</b>		<b>4,868,304</b>	<b>5,138,371</b>
<b>Cash at the end of the reporting year</b>	<b>B</b>	<b>£4,364,304</b>	<b>£4,868,304</b>
<b>A. Reconciliation of net income to net cash flow from operating activities</b>			
		<b>2024 £</b>	<b>2023 £</b>
<b>Net (deficit) income for the reporting year (as per the statement of financial activities)</b>		<b>(71,393)</b>	<b>122,134</b>
<b>Adjustments for:</b>			
Depreciation charges		291,206	252,755
Loss (Profit) on disposal of fixed assets		(9,762)	68,934
Interest received		(87,888)	(46,579)
(Increase) in Debtors		(43,409)	(52,365)
(Decrease) Increase in creditors		(443,631)	464,285
<b>Net cash provided by operating activities</b>		<b>£(364,877)</b>	<b>£809,164</b>
<b>B. Analysis of cash and cash equivalents</b>			
		<b>2024 £</b>	<b>2023 £</b>
Cash at bank		4,364,304	4,868,304
<b>Total cash and cash equivalents</b>		<b>£4,364,304</b>	<b>£4,868,304</b>



**1. ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The functional currency of the school is considered to be GBP because that is the currency of the primary economic environment in which the school operates.

The school is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee (company number: 04374254 and charity number: 1091045).

**a) Basis of Preparation**

The accounts are prepared under the historical cost convention.

**b) Going concern**

Having reviewed the funding facilities available to the school together with the expected ongoing demand for places and the school's future projected cash flows, the Governors have an expectation that the school has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the school's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 11.

**c) Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, Governors are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affected current and future years.

Judgements made by the Governors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and are discussed below.

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

**d) Fees and Similar Income**

Fees receivable and other fees are accounted for in the year in which the service is provided. Fees receivable represent fees less bursaries and allowances and other income derived from the School's continuing activities.

**e) Investment income**

Investment income from bank balances and fixed interest securities is accounted for on an accruals basis.

**1. ACCOUNTING POLICIES (continued)**

**f) Donations, legacies, grants and other voluntary income**

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

**g) Expenditure**

Expenditure is accounted for on an accruals basis and are allocated to expense headings on a direct cost basis. The irrecoverable VAT is included with the item of expense to which it relates. Governance costs comprise costs incurred in meeting statutory and constitutional requirements of the School.

**h) Tangible Fixed Assets**

No depreciation is provided on freehold land. For all other assets, depreciation is calculated to write off the cost of the item over the anticipated useful life as follows:

Freehold buildings	2% straight line basis
Fixtures, fittings and equipment	25% straight line basis
Long-term fixtures, fittings and equipment	4% straight line basis
Computer equipment	25% straight line basis
Motor vehicles	25% reducing balance basis

Items costing less than £1,000 are written off as an expense as acquired. Items are depreciated only for six months in the year of acquisition.

**i) Pension contributions**

The company contributes to the Teachers' Pension Scheme at rates set by the scheme actuary. It is part of a multi-employer scheme and it is not possible to attribute a value to the scheme assets and liabilities which would be appropriate to the company. In accordance with FRS 102 the scheme is accounted for as if it were a defined contribution scheme. The assets of the scheme are held separately from those of the company. The pension cost charge represents the amount of the contributions payable to the scheme in respect of the year.

With effect from 1 August 2024, the school's pension provider for teachers joining the School and for teachers choosing to opt out of the Teachers' Pension Scheme is the Aviva Pension Trust for Independent Schools (APTIS). The company also contributes to personal pension schemes for non-teaching staff and contributions to both these schemes are charged to the Statement of Financial Activities in the year in which they are incurred.

**j) Unrestricted Funds**

Unrestricted Funds are funds applied at the discretion of the Governors in furtherance of the objects of the School.

**k) Restricted funds**

This represents the monies received for specific purposes as disclosed in note 16.

**1. ACCOUNTING POLICIES (continued)**

**l) Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised apart from investments which are held at fair value. Financial assets held amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions

**m)** Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**n) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments.

**o) Creditors and provisions**

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.



**LOCHINVER HOUSE SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

<b>2. FEES RECEIVABLE</b>	<b>Unrestricted funds 2024 £</b>	<b>Unrestricted funds 2023 £</b>
Gross fees	5,659,722	5,402,652
Less: total bursaries and staff concessions	(150,810)	(107,317)
Fees Receivable	<u>£5,508,912</u>	<u>£5,295,335</u>
<b>3. REGISTRATION FEES AND OTHER INCOME</b>	<b>Unrestricted funds 2024 £</b>	<b>Unrestricted funds 2023 £</b>
Registration and other fees including initial deposits forfeited	60,001	54,641
Sundry income	25,317	13,555
Before & After School clubs and music tuition	99,263	71,689
	<u>£184,581</u>	<u>£139,885</u>
<b>4. STAFF COSTS</b>	<b>2024 £</b>	<b>2023 £</b>
Staff costs incurred were as follows:		
Wages and salaries	3,109,256	2,867,763
Social security costs	314,889	288,420
Other pension costs	545,962	476,770
Other costs	131,176	132,897
	<u>£4,101,283</u>	<u>£3,765,850</u>

Included in Wages and Salaries, there is a termination payment made in the year totalling £21,000. The average number of employees during the year within each category of persons was:

	<b>Number</b>	<b>Number</b>
Teaching	64	66
Welfare and premises	21	18
Administration	10	9
	<u>95</u>	<u>93</u>

The Governors received no remuneration. No Governors were reimbursed expenses during the year (2023: £nil).

	<b>£</b>	<b>£</b>
Aggregate employee benefits of key management personnel	<u>£180,732</u>	<u>£166,517</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

4. STAFF COSTS (continued)

The number of higher paid employees (including taxable benefits but excluding employers' pension contributions) to 31 August 2024 was:

	2024 Number	2023 Number
£60,001 - £70,000	4	2
£70,001 - £80,000	1	-
£100,001 - £110,000	1	1
	<u>6</u>	<u>3</u>

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 £427,337 (2023: £424,402) and at the year-end £55,634 (2023: £44,574) 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 2020 and the Valuation Report was published in October 2023.

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

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

# LOCHINVER HOUSE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

### 5. EXPENDITURE

	2024 £	2023 £
Direct charitable expenditure includes:		
Depreciation	£291,206	£252,755
Governance costs include:		
Auditors' remuneration		
- audit	18,000	13,250
- non audit	1,920	1,500
Directors liability insurance	-	1,548

### 6. INVESTMENT INCOME

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Bank interest	£87,888	£46,579

### 7. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs £	Other £	Depreciation £	Total 2024 £
<b>Charitable activities</b>				
School Operating Costs:				
Teaching	3,216,360	324,407	-	3,540,767
Welfare	132,198	133,235	-	265,433
Premises and equipment	252,176	689,666	291,206	1,233,048
Support and governance costs	500,549	346,786	-	847,335
Head Boys' charitable donations	-	9,750	-	9,750
	£4,101,283	£1,503,844	£291,206	£5,896,333



**LOCHINVER HOUSE SCHOOL****NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 AUGUST 2024****ANALYSIS OF TOTAL EXPENDITURE****(Prior Year)**

	<b>Staff costs £</b>	<b>Other £</b>	<b>Depreciation £</b>	<b>Year-ended Total 2023 £</b>
<b>Charitable activities</b>				
School Operating Costs:				
Teaching	3,008,396	262,579		3,270,975
Welfare	113,664	126,827		240,491
Premises and equipment	237,333	749,060	252,755	1,239,148
Support and governance costs	406,457	227,171		633,628
Head Boys' charitable donations	-	7,800	-	7,800
	<u>£3,765,850</u>	<u>£1,373,437</u>	<u>£252,755</u>	<u>£5,392,042</u>

**8. PENSION COMMITMENTS**

Staff costs include payments by the company to the Teachers' Pensions Scheme of £427,337 (2023: £424,402) and to individual defined contribution schemes on behalf of certain employees of £82,040 (2023: £52,368). The amount owing at the year-end in respect of TPS was £55,634 (2023: £44,574). There was nothing owing in respect of the defined contribution schemes (2023 £nil).

# LOCHINVER HOUSE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

### 9. TANGIBLE FIXED ASSETS

	Freehold Land £	Freehold Buildings £	Fixtures Fittings & Equipment £	Computer Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 September 2023	425,806	7,265,198	875,459	476,223	168,525	9,211,211
Additions	-	112,003	55,706	47,963	28,740	244,412
Disposals	-	-	(89,627)	-	(24,145)	(113,772)
<b>At 31 August 2023</b>	<u>425,806</u>	<u>7,377,201</u>	<u>841,538</u>	<u>524,186</u>	<u>173,120</u>	<u>9,341,851</u>
<b>Depreciation</b>						
At 1 September 2023	-	2,019,191	273,565	368,268	98,418	2,759,442
Charge for the year	-	142,874	74,777	54,345	19,210	291,206
Disposals	-	-	(89,627)	-	(16,506)	(106,133)
<b>At 31 August 2024</b>	<u>-</u>	<u>2,162,065</u>	<u>258,715</u>	<u>422,613</u>	<u>101,122</u>	<u>2,944,515</u>
<b>Net Book Value</b>						
At 31 August 2024	<u>425,806</u>	<u>5,215,136</u>	<u>582,823</u>	<u>101,573</u>	<u>71,998</u>	<u>6,397,336</u>
At 31 August 2023	<u>425,806</u>	<u>5,246,007</u>	<u>601,894</u>	<u>107,955</u>	<u>70,107</u>	<u>6,451,769</u>

The above assets include those acquired from Lochinver House School Trust on 31 March 2002 for £2,985,449 being the net book value to the Trust at the date of transfer. The land and buildings were originally acquired by that Trust in 1957 when the School was founded by Trust Deed and since that date, various improvements and extensions had been made to the buildings.

The remainder of the assets have been acquired since the company was incorporated and are stated at cost less depreciation.

### 10. DEBTORS

	2024 £	2023 £
Fees receivable	31,225	43,915
Other debtors and prepayments	172,410	116,311
	<u>£203,635</u>	<u>£160,226</u>

### 11. CREDITORS: amounts falling due within one year

	2024 £	2023 £
Fees in advance and initial deposits	492,381	523,027
Trade creditors	152,728	115,142
Other creditors and accruals	475,500	918,221
	<u>£1,120,609</u>	<u>£1,556,390</u>

LOCHINVER HOUSE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

12. CREDITORS: amounts falling due after more than one year	2024 £	2023 £
Long term deposits held	£145,875	£153,725

13. MOVEMENT IN FUNDS

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfer to/(from) fund £	Balance at 31 August 2024 £
Unrestricted funds					
School Buildings fund	5,671,812	-	-	(5,671,812)	-
Other reserves	4,090,086	5,815,706	(5,886,583)	5,671,812	9,691,021
	<u>9,761,898</u>	<u>5,815,706</u>	<u>(5,886,583)</u>	<u>-</u>	<u>9,691,021</u>
Restricted funds	8,286	9,234	(9,750)	-	7,770
Total	<u>£9,770,184</u>	<u>£5,824,940</u>	<u>£(5,896,333)</u>	<u>-</u>	<u>£9,698,791</u>

MOVEMENT IN FUNDS (Prior Year)	Balance at 1 September 2022 £	Income £	Expenditure £	Transfer to/ (from) fund £	Balance at 31 August 2023 £
Unrestricted funds					
School Buildings fund	5,280,099	-	-	391,713	5,671,812
Other reserves	4,359,657	5,506,384	(5,384,242)	(391,713)	4,090,086
	<u>9,639,756</u>	<u>5,506,384</u>	<u>(5,384,242)</u>	<u>-</u>	<u>9,761,898</u>
Restricted funds	8,294	7,792	(7,800)	-	8,286
	<u>£9,648,050</u>	<u>£5,514,176</u>	<u>£(5,392,042)</u>	<u>-</u>	<u>£9,770,184</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Restricted £	2024 Total £
Fixed assets	6,397,336	-	6,397,336
Debtors	203,635	-	203,635
Cash at bank and in hand	4,356,534	7,770	4,364,304
Creditors	(1,266,484)	-	(1,266,484)
	<u>£9,691,021</u>	<u>£7,770</u>	<u>£9,698,791</u>



**ANALYSIS OF NET ASSETS BETWEEN FUNDS  
(Prior Year)**

	Unrestricted £	Restricted £	2023 Total £
Fixed assets	6,451,769	-	6,451,769
Debtors	160,226	-	160,226
Cash at bank and in hand	4,860,008	8,296	4,868,304
Creditors	(1,710,115)	-	(1,710,115)
	<u>£9,761,888</u>	<u>£8,296</u>	<u>£9,770,184</u>

**15. UNRESTRICTED FUNDS**

The School's unrestricted funds amount to £9,675,804 (2023 - £9,761,898). During the year the Governors decided to combine the School Building Fund (a nominal designated fund) with other general reserves as the designation was no longer required. The unrestricted funds represent free reserves to cover normal fluctuations in working capital and to finance the continuing development of the School including maintaining and improving the underlying fixed assets.

**16. RESTRICTED FUNDS**

The restricted funds of £7,770 (2023: £8,286) relate to monies held by the School on behalf of pupils for external charitable purposes. Transfers from restricted funds have been made to reflect the assets funded from restricted donations becoming unrestricted upon purchase.

**17. CAPITAL COMMITMENTS**

There were no capital commitments at the year end (2023 - £nil).

**18. FINANCIAL COMMITMENTS**

At 31 August 2024 the charity had annual commitments under non-cancellable operating leases of £6,682 due within one year (2023: £6,682) and £6,676 due between two and five years (2023: £13,358).

**19. TRANSACTIONS WITH RELATED PARTIES**

During the year the company paid for the Directors' liability insurance. The cost of the premium is included within the total cost of insurance and amounted to £1,548 (2023: £1,548).

During the year, the School paid £3,360 (2023 £2,946) to Helen Philp, a Governor of the School for her services as a supply teacher.

There were no other related party transactions during the year (2023: None).

**20. LIABILITY OF MEMBERS**

The company is limited by guarantee and as such each member has guaranteed to contribute a sum not exceeding £10 to the assets of the company in the event of it being wound up and unable to pay its debts.

**LOCHINVER HOUSE SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

**21. NET DEBT RECONCILIATION**

	<b>At 1 September 2023 £</b>	<b>Cashflows £</b>	<b>Other non- cash changes £</b>	<b>At 31 August 2024 £</b>
Cash at bank and in hand	<u>£4,868,304</u>	<u>£(504,000)</u>	<u>-</u>	<u>£4,364,304</u>
	<b>At 1 September 2022 £</b>	<b>Cashflows £</b>	<b>Other non- cash changes £</b>	<b>At 31 August 2023 £</b>
Cash at bank and in hand	<u>£5,138,371</u>	<u>£(270,067)</u>	<u>-</u>	<u>£4,868,304</u>