

Salisbury Cathedral School Limited
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year-ended 31 August 2021

Salisbury Cathedral School Limited (A company limited by guarantee)

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Salisbury Cathedral School Limited (A company limited by guarantee)

STATUTORY INFORMATION

for the year-ended 31 August 2021

MEMBER

The Cathedral Church of the Blessed Virgin Mary of Salisbury

GOVERNORS

Mrs J Monro-Higgs* – *Chair of Governors*

Mrs E C Cairncross – *Resigned 02 February 2021*

Mr M C Cooke* – *Vice Chair*

Mr A Bowman – *Resigned 10 October 2021*

Mrs C M Cooper

Mrs S Erven

Dr J Fletcher*

Ms S Lumley

Mr T M Olliff-Lee*

Mr J Sloan

Miss L K Wallace*

The Revd Canon E Probert – *Resigned 01 November 2020*

The Revd Canon A Macham** – *Appointed 17 September 2020*

Mrs A O Cowley – *Appointed 26 June 2021*

* Member of the Finance & General Purposes Committee

** Designated Safeguarding Governor

DIRECTORS

All Governors are recorded at Companies House as Directors.

SENIOR LEADERSHIP TEAM

Head Master	-	Mr Clive Marriott
Deputy Head Master	-	Mr Nick Hawker
Head of Pre-Prep	-	Mrs Linda Cunningham-Brown
Designated Safeguarding Lead	-	Mr Oli Elford
IT Strategy Lead	-	Mr Duncan Hodson
Finance Manager	-	Mr Edward Fenn

ADDRESS & REGISTERED OFFICE

1, The Close
Salisbury
Wiltshire
SP1 2EQ
www.salisburycathedralschool.com

ADVISERS

BANKERS

Lloyds TSB Bank plc
38 Blue Boar Row
Salisbury
SP1 1DA

SOLICITORS

Parker Bullen 45
Castle Street
Salisbury
SP1 3SS

AUDITORS

RSM UK Audit LLP
Highfield Court
Tollgate
Hampshire
SO53 3TY

Salisbury Cathedral School Limited (A company limited by guarantee)

GOVERNORS' REPORT

for the year-ended 31 August 2021

The Governors present their annual report together with the audited accounts for the year-ended 31 August 2021.

REFERENCE AND ADMINISTRATIVE INFORMATION

Salisbury Cathedral School (SCS) is a company limited by guarantee, incorporated on 14 June 2002, whose sole member is the Cathedral Church of the Blessed Virgin Mary of Salisbury (a corporation which acts through the body known as Chapter). The company is also a registered charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Body

Under the terms of the Articles of Association, the Directors are referred to as Governors of whom there shall not be less than eight and not more than fourteen, plus the Chairman.

Recruitment, induction and training of Governors

The Cathedral Church of the Blessed Virgin Mary of Salisbury has the power to appoint and remove Governors who are appointed for five year terms. Both the Governing Body and the Cathedral Chapter give careful consideration to new Governor appointments to ensure any skills shortages are filled. New Governors are inducted into the workings of the school, including policy and procedures at induction meetings with the Head and Clerk. Governors are encouraged to attend appropriate external training seminars and conferences.

Organisation

The Governors are legally responsible for the overall management of the school and meet at least three times a year. The work of implementing most of their policies is carried out by the members of the Finance and General Purposes Committee (F&GP) who typically meet two weeks before each meeting of the full Governing body.

The day to day running of the school is delegated to the Head Master, supported by his senior leadership team.

Risk Management

The Governors examine the major risks that the school faces each financial year. The Charity has developed systems to monitor and control these risks and to mitigate any impact they may have on the school's future.

Key Management Personnel

Key Management Personnel comprises of the Senior Leadership Team. The pay for Key Management Personnel is based on SCS Pay Scales and is agreed by Governors.

Volunteers

The school benefits greatly from having volunteers. These include work experience students, parents, community members and Governors.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The objects of the Charity are to promote and provide for the advancement of education and the advancement of religion in accordance with the practices of the Church of England for the benefit of the public. For the furtherance of these objects, the Charity has various permanent endowments and un-endowed trust funds held for special purposes in connection with the development of the school's facilities and for scholarships, bursaries, prizes and other choral and educational purposes.

The Charity pursues its objects by running an IAPS accredited Preparatory School, with a Pre-Preparatory department located in the Cathedral Close.

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GOVERNORS' REPORT *(continued)*

for the year-ended 31 August 2021

Aims & Objectives

The aims of the school are:

- to maintain and build upon the traditions of spiritual enrichment, musical excellence and academic achievement which have developed over its 900-year history;
- to provide a rounded and fulfilling education through which a love of learning is instilled within an environment which promotes a strong Christian ethos including respect for the individual;
- to have high academic expectations and wide-ranging opportunities in music, sport, art and drama encouraging pupils to develop skills and talents which will equip them for life.

In order that pupils leave Salisbury Cathedral School having achieved an excellent academic grounding and confidence in their abilities and having benefited from the values, cultures and disciplines of the school.

In setting objectives and in planning the activities of the school, Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to the supplementary public benefit guidance on advancing education and on fee charging.

REVIEW OF ACTIVITIES & ACHIEVEMENTS

The most noticeable indicator of the school's success is a healthy pupil role and a full boarding house, at a time when other similar prep schools are suffering in the current economic climate. Maintaining and improving pupil numbers is one of the school's key objectives.

Pupil Numbers

The number of pupils at the end of the school year was 206 (2020: 211) including 27 boarders (2020: 30), with casual boarding also remaining popular: 15 pupils (2020: 23). Some of the year was spent in lockdown, due to the Coronavirus pandemic, which meant that the boarding house was either completely closed, or at other times only open for full and weekly boarders. Casual boarding was managed carefully during the summer term 2021, to limit the risk of infection. However, boarding numbers were very healthy during this time, with the boarding house being full on most nights. The pupil roll remained encouraging, and the number of enquiries is on the increase, in particular in our Nursery and Pre-prep because of the continued success of the extremely popular and over-subscribed Toddler Groups. At the end of the academic year and partly in response to the school's online, remote learning provision during both lockdowns, there were 40 new pupils scheduled to start in the autumn term 2021.

Teaching and Learning

The school educates and prepares children to meet the standards required to enter the next school most suited to their needs. All pupils at the school gained entry to their first-choice school at 13+ and a good number of pupils secured places at local grammar schools at 11+ and one at 13+. Many children leaving the school were awarded scholarships to their next school across a range of disciplines.

The Head Master, Deputy Head and Head of Pre-Prep appraise all academic staff annually. The focus of these appraisals is linked to the school's strategic plan and departmental development plans. The Head Master appraises non-teaching staff.

The recently devised creative curriculum was rolled out throughout the school from the Pre-Prep and into lower Key Stage 2. The EYFS set aside some of the year to plan for the new statutory curriculum, which it will be delivering from September 2021. A continued increased focus on outdoor learning in EYFS and KS1 was received well by pupils and their parents. The refreshed, more practical, thematic, 'topic-based' approach in lower KS2 (Years 3 & 4) has meant that staff are more engaged with a wider variety of teaching and learning strategies. The continued shift away from the Common Entrance (CE) assessment framework at KS3 (Years 7 & 8) was further emphasised by senior schools using their own frameworks alongside increased use of the ISEB pre-tests at 11+ and 12+. Within the school, a new system of assessment was rolled out in the foundation subjects (starting with humanities) for Year 7 pupils. This involved a range of assessment techniques to ascertain a broad representation of a pupil's progress and attainment.

This broader framework of assessment acknowledges the variety of learning styles amongst the pupil body. In June 2021 all Year 8 pupils sat the CE examinations in the core subjects (English, maths and science) and most other subjects were assessed internally. This decision is in line with the requirements of many of the destination senior schools within the school's frame, and is now common amongst many other prep schools.

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GOVERNORS' REPORT (*continued*)

for the year-ended 31 August 2021

The governor led Education Committee continues to meet regularly to ensure that the School is delivering the best education to its pupils in line with the School strategy. The Committee started a programme of inviting departmental heads to provide feedback and set out aspirations for departmental strategy and development.

National COVID-19 restrictions curtailed the usual varied extra-curricular programme both in terms of the number of clubs offered and opportunities for external visits such as theatre and museum visits along with opportunities to explore the local environment. Greater use of the outdoor learning environment onsite helped to seamlessly join up learning within the curriculum and beyond.

Music

After the lockdown in Trinity Term, it was wonderful to be back in school in September 2020. The year started with the shocking news of the sudden death of Rich Perry (the School's percussion teacher) just before the start of term, which really shook everyone to the core. He was an inspirational teacher and a truly lovely human being, who was totally committed to the children he taught. We have a beautiful bench in his memory, just outside Queensgate Cottage.

Susie Lamb, Director of Music would ordinarily have spent half a day a week working in a series of maintained primary schools, as part of our partnership project 'Voices InSpire'. This was impossible due to Covid regulations, although several schools enjoyed using some of our recorded hymns and songs in their communities. We couldn't invite parents into informal concerts, or even different bubbles to watch other bubbles. In order to get some ensembles playing, we arranged our ensembles within bubbles which was challenging as it meant we had children playing together because of their age rather than their standard. The usual school choirs couldn't take place due to staggered starts and ends of days, so there was more singing than is usual in our class lessons. Dave Chapman was appointed as the new percussion teacher (a very hard post to fill) which he took on with great sensitivity and compassion.

Year 8 potential music scholars were given performance opportunities, they took it in turns to play at their bubble assembly in the BSR. An absolute highlight was when 4 of the Year 8 Choristers were chosen to sing at Stonehenge in the big BBC Children in Need song, which went out on National Television. The footage of them singing right in the middle of the stones is amazing, and the experience of working with a film crew at sunrise on Salisbury Plain was so exciting. Definitely worth the very early and cold get up.

Music exams resumed, including a large ABRSM entry which yielded 8 passes, 12 merits and an impressive 18 distinctions.

The Carol Service became a virtual service, with each year group or class recording a song in the BSR. The Pre-Prep also made virtual Nativities. It felt surreal not to be able to offer these landmark performances as live offerings. It was therefore a real delight that every class in the Prep School was able to sing carols informally in the cathedral near the end of term, and for the first time all term, parents were able to hear live singing.

The Lent term saw a return to lockdown and remote learning. Live music lessons were a great success, and the classes made remote recordings to a high standard. Lots of the children contributed to a song for Valentine's day, "I see the light". Our Year 8 scholars did brilliantly, managing to win a good number of awards including 2 specialist awards to Wells Cathedral School and music scholarships to Sherborne, Lancing and Embley among other awards. All of these were prepared for and taken remotely. Perhaps the biggest musical achievement of the year was the remote recording of Purcell's Rondeau. We had 101 submissions for this, from pupils, parents, other family members and staff. It is currently featured on the BBC 10 pieces website on this link: <https://www.bbc.co.uk/teach/ten-pieces/ten-pieces-at-home-general-showcase/zn2wg7h>

It was great to be back at school for a couple of weeks in the Lent term, when the Year 8 girls were filmed bouncing netballs in time to Tchaikovsky's Nutcracker suite.
<https://drive.google.com/file/d/14EyWvdT4q147lJe0btrpgaPxfcpnEIZN/view?usp=sharing>

The Trinity term saw a return to bubble ensembles, and we were able to add in a couple more groups during enrichment time, to give the children a chance to play some Jazz. We were really hoping for a big outdoors end of year Picnic in the Park, but sadly the COVID restrictions were not lifted in time for this to go ahead. Instead, each bubble had its own sports day which started with the corresponding bubble ensembles playing or singing to the parents. It felt like a massive achievement to actually host some live performances, and it was brilliant for the children to finally receive some acknowledgement and applause for their efforts over the year.

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GOVERNORS' REPORT *(continued)*

for the year-ended 31 August 2021

We said goodbye to Fiona Murphy, cello teacher, who is moving to Malta. Jane Parsons has been appointed as her replacement, and Ben de Souza has been appointed as our first ever Accordion Teacher. Both start in September 2021. As ever, the team of VMTs have been the backbone of the musical life of the school, maintaining enthusiasm and inspiring our pupils even in the trickiest of times.

Drama, Debate and Public Speaking

At Salisbury Cathedral School, we strongly believe that opportunities for involvement in drama must be exciting and inclusive. All year groups are ordinarily involved in drama of some sort during the course of each week, usually as part of their English lessons. This year, none of the usual productions took place with an audience present. The Year 7 and 8 production was filmed and therefore, all the pupils' hard work did not go to waste, and the other productions for the younger years were put on hold.

Children are encouraged to hone their public speaking and debating skills and whilst we were unable to host our usual competitions, instead the pupils were invited to contribute to an online version instead, which was very well received by all.

Sport and Physical Education

Sport and Physical Education are an integral part of school life at Salisbury Cathedral School, contributing to a well-rounded experience for pupils and playing an especially important role this year in ensuring their physical and mental well-being as we adapt to remote and blended learning.

Our primary aims for the pupils are:

- To teach an understanding of the effects, benefits and importance of regular physical exercise on the body and mind with the ultimate aim that it becomes a lifelong habit
- To deliver outstanding sporting opportunities for all, for progress and participation, within a happy and nurturing pastoral environment
- To foster the core values particularly relevant to sport, those of teamwork, resilience, self-discipline, leadership and creativity

Provision in the age of COVID-conditions

The requirement to move to remote learning meant that the curriculum was adapted to meet this need through online teaching and support via the Google Classroom. The online syllabus prioritised the mental and physical wellbeing of pupils through incentives to remain active and ways to connect with the school community. This was done through a combination of whole school challenges and age-specific tasks that included skill work, research and fitness. The provision of live, practical PE and Games lessons for those on site - largely cricket, athletics, general ball skills and SAQ, ran alongside both recorded and live lessons for those working from home.

In a 'normal' year, games and PE programmes are well balanced, varied and challenging and include a range of team and individual sports as well as a Functional Movement programme, introduced last year. Ordinarily, the majority of pupils in years 3 to 8 are given the opportunity to represent the school in weekly matches (the minimum is three times a term) and care is taken to arrange competition, wherever possible, that is well-matched. Pupils who show exceptional promise gain opportunities to compete regionally and, on occasion, nationally and SCS enters many independent school tournaments (for example, IAPS, Bryanston netball, Warminster Hockey). Pupils are supported in their county sport aspirations and suitable candidates are encouraged to pursue sport scholarships at secondary schools.

A planned hockey and rugby sports tour abroad to Holland had to be cancelled due to COVID restrictions.

Plans to extend our partnership work with local primary schools, to host a cross-country event, and a cricket workshop and swim gala for other prep schools, were all put on hold, but it is hoped that these will be resurrected in the year to come.

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GOVERNORS' REPORT (*continued*)

for the year-ended 31 August 2021

Public Benefit and Community Links

Choral Scholarships

The school is part of the Cathedral's foundation and is intrinsically linked to the life of the Cathedral. The Cathedral and associated endowments fund choral scholarships for up to 40 boy and girl chorister and probationer choristers. In the case of financial need, the school works very closely with parents to identify and source additional means tested funding. During the year, 28 of the 40 choristers were in receipt of such additional funding. The level of support varied according to need up to 100%. The aspiration, in partnership with the Cathedral, is that all potential choristers who are successful at voice trials ought to be able to take up a place in the choir irrespective of parental means. In order to facilitate this, the school employs the services of an external provider to ensure that each family's circumstances are scrutinised in detail and more objectively.

Chorister activities

Michaelmas term

The Choristers returned to school having not sung together since early March. They were able to sing a reduced number of services each week and at the weekend. Early morning rehearsals in the week were moved to lunchtimes, giving choristers the chance to join other pupils in academic catch up classes. Saturday morning rehearsals were stopped in an attempt to improve general wellbeing. Sunday morning mattins was suspended, enabling a slightly later start to the day. Live streaming of services was introduced (with appropriate safeguarding protocols) so that families from far away could tune in on a regular basis to watch and listen.

September also saw the admission of new Choristers. For the first time, all Year 8 Choristers were promoted to Senior Choristers.

Church of England regulations in the October / November lockdown allowed the Choristers to take part in services, albeit with no congregation present and live streamed.

The famous Advent carol services were unable to take place, but the lockdown ended in time for the Chorister Bishop service. This is an ancient ceremony that takes place each year, where a Chorister is promoted to a Bishop for the duration of the service. This year saw a boy chorister receiving this honour. He delivered a fantastic sermon about how we should all be a little bit more like Paddington Bear, and show greater humility and integrity.

The Choristers sang the Christmas services, except Evensong on Christmas Day and then went home for lunch.

Lent term

The Lent term saw another full lockdown. The Choristers reverted to online rehearsals. They were submitted videos of hymn singing, which were put together to use in weekly assemblies.

By Easter for the first time in two years the Choristers were able to sing the Holy Week and Easter services.

Trinity term

In the Trinity term, services resumed and the Choristers enjoyed being back in the Cathedral taking part in worship once again.

At the end of term, they visited Winchester for an exciting SCF project, which saw some recordings take place for a concert involving Chichester, Salisbury and Winchester. A film was made by the BBC to document the history of the festival.

The Year 7 and 8 Choristers were able to sing in a service at Winchester, with both Chichester and Winchester Year 7 and 8 Choristers.

Thankfully, all our leaving Year 8 Choristers have been invited back to sing at Messiah in December this year. We are thoroughly looking forward to seeing them again.

Use of Facilities

Two local adult choirs use the school's facilities for rehearsals in the evenings. The Cathedral's Junior Choir and Youth Choir also regularly rehearse in the school. In addition, the community use our premises for various events throughout the year.

Salisbury Cathedral School Limited (A company limited by guarantee)

GOVERNORS' REPORT *(continued)*

for the year-ended 31 August 2021

Policy Review

Governors keep under review the school's Fee Remission policy to inform development of policy and help ensure the objective of wider access is achieved. Our current Fee Remission policy is 8% of Gross Fee Income, to enable more pupils to benefit from means tested support.

Assistance for staff

As part of our emphasis on attracting and retaining high calibre staff we currently offer a discount scheme where staff members choose to educate their children at our school if they meet the criteria in our Fee Remission policy.

Bursaries

This year the value of means tested bursaries totalled over £316,295 (2020: £253,642) and represented 10% of our gross fees (2020: 8.7%). Bursaries provide assistance to 37 (2020: 48) of our non-chorister pupils.

Community Involvement

Links with Bishop Wordsworth's school have continued with the joint use of various sport and music facilities. During school holiday periods, the School's facilities are made available to visiting choirs singing the daily services in the cathedral and, during both term and holiday periods, to various local sports clubs, choirs and other community groups.

Charity support

The school supports various charity endeavours throughout the academic year, although some of the opportunities to do this have been limited due to the pandemic. Each year the school chooses a chosen charity for the year; in the academic year 2019-2020, this was the Stars Appeal. The chosen charity is supported by cake sales, non-uniform days, collections from cathedral assemblies and other events. Additionally, the school supports Children in Need and Comic Relief.

Fund Raising

No new appeals have been made this year but the school has benefited from the valuable support of the Friends. The Friends of Salisbury Cathedral School provide social and fundraising activities and help build a strong community. This year the Friends have continued to help fund outdoor learning equipment for Pre-Prep, Sports & Play Equipment. The Governors' Development Committee continues to support the SLT in considering options for improving the school's facilities through 'Friend raising' and fund raising. The Committee has actively sought out expertise from amongst the parental body to help guide and advise on prospective projects. The school has moved forward its plans to appoint a Development Officer and it is anticipated that this role will be filled at the start of the new academic year in September 2020.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The results for the year are set out on page 11 of the financial statements.

The school's total income for the period 1 September 2020 to 31 August 2021 after adjusting for school bursaries and other remissions was £2,986,400 (2020: £2,785,791). School expenditure was £3,063,733 (2020: £2,629,176). This resulted in a deficit before gains on investments of £77,333 (2020: £156,615).

At the end of the year, the net assets of the school were £741,601 (2020: £779,223) out of which £412,782 (2020: £472,005) were represented by unrestricted reserves. Restricted funds amounted to £62,742 (2020: £81,602) and the endowment funds amounted to £266,077 (2020: £225,616). Restricted and endowed funds are not available for the general purpose of the charity but must instead be used for their intended purpose.

As a Charity the parents of our pupils have the assurance that all the income of the school must be applied for educational purposes. As an educational Charity we enjoy tax exemption on our educational activities and on our investment income and gains provided these are applied for our charitable aims. As a Charity we are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our bursary policies. However, as an educational charity, we are unable to reclaim VAT input tax on our costs as we are an exempt supplier for VAT purposes. We also pay tax as an employer through the national insurance contributions we make.

In addition to the very substantial benefits our School brings to our pupils, the local community and society through the education we offer, the contribution of our choirs, our musical and sports outreach and bursary programme create a social asset without cost to the Exchequer.

Salisbury Cathedral School Limited (A company limited by guarantee)

GOVERNORS' REPORT *(continued)*

for the year-ended 31 August 2021

Developments and Maintenance

The school continues to invest in the maintenance of its fabric and resources, with this year's focus being on general maintenance around the school and on improvements to general teaching rooms in the Bishop's Palace and the other buildings on the kitchen garden site. This has included replacing interactive whiteboard technology and data projectors, with large touchscreen televisions. Enhanced lighting has improved the general appearance of many classrooms, and a comprehensive review of classroom furniture has helped to create a more modern and purposeful feel. Recent investment in the IT infrastructure and hardware (most notably Chromebooks for pupil use) has helpfully coincided with the demands of remote learning during the periods of lockdown.

Reserves and Financial Health

The Governors regularly review the finances, budgets and spend against budget as part of the effective stewardship of the school.

The deficit for the year has decreased the school's unrestricted funds at the year-end to £412,782 (2020: £472,005).

The school holds reserves for a number of purposes, including funding current and future spending on fixed assets, financing the school's working capital and providing a contingency against the risks and uncertainties inherent in running an independent school. The Governors' policy is to hold sufficient reserves to cover three months of recurring expenditure and to spend any surpluses generated by the school on improving its facilities. Three months of expenditure is £765,933 and therefore the Governors are taking steps to build reserves to this level including increasing the use of school facilities for external lettings, building pupil numbers and creating efficiency savings where possible.

Investment policy

Salisbury Cathedral School Limited seeks to achieve steadily growing income and the preservation of its capital assets in real terms. It works within the parameters of the Church of England's ethical investment policy and has its own investment policy reviewed by Governors.

FUTURE PLANS

The Governors are committed to improving facilities and are working with the Governors' Development Committee in looking at ways in which this can be realistically achieved. The Governors support the school's senior leaders in recognising the importance of having a paid member of school staff helping to run the development office.

The agenda for future capital projects centres on

- improving facilities for the Early Years Foundation Stage (classrooms and outdoor learning areas)
- building two new general purpose classrooms for the Prep department
- improving the front entrance lobby and visitor welcome facilities
- providing additional lavatories and hospitality space for visitors
- rationalising administrative office accommodation

The Governors are in consultation with the Cathedral Chapter to further secure the long term future of the School.

RISK MANAGEMENT

The Governors have given consideration to the major risks to which the school is exposed. The governing body has ultimate responsibility for managing any risk faced by the school. Detailed consideration of risk is delegated to the F&GP and from there to each of the other sub-committees. The risk management process and the resulting report identifies risks, assesses their impact and likelihood and, where necessary recommends controls to mitigate and monitor those risks that are identified as high.

Salisbury Cathedral School Limited (A company limited by guarantee)

GOVERNORS' REPORT *(continued)*

for the year-ended 31 August 2021

Principal risks and uncertainties

The board continues to identify and review the major risks to which the school is exposed. In particular, and in common with all independent schools, the school faces potential financial risks caused by external forces, including the possibility of VAT being levied on school fees and the possible removal of Business Rates Relief. These could become significant if pupil numbers diminish to any significant extent. We mitigate this through the provision of a desirable education and the marketing of this provision.

The school also faces a growing number of compliance and legislative requirements which the school's management need to be aware of and adhere to. In the opinion of the Board, the school has established resources and review systems which, under normal conditions, should allow these risks to be managed to an acceptable level in its day-to-day operations.

Salisbury Cathedral School Limited (A company limited by guarantee)

GOVERNORS' REPORT *(continued)*

for the year-ended 31 August 2021

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors of Salisbury Cathedral School Limited for the purposes of company law) are responsible for preparing the Governors' Annual 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. Under company law the Governors 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure the financial statements comply with the Companies Act 2006. The Governors 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.

The Governors confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit.

The Governors have referred to the guidance in the Charity Commission's general guidance on Public Benefit when reviewing the School's aims and objectives and in planning the School's future activities. In particular, the members of the Governing body have considered how planned activities will contribute to the aims and objectives they have set.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

In accordance with company law, as the company's Governors, we certify that:

- So far as we are aware, there is no relevant audit information of which the school's Auditor is unaware;
- As the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the school's Auditor is aware of that information.

AUDITOR

RSM UK Audit LLP has indicated its willingness to continue in office, and will be proposed for reappointment at the annual general meeting.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

APPROVAL

The report of the Governors was approved and signed on its behalf by:



Dr James Fletcher, Member of Finance and General Purposes Committee

Date : 26 November 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SALISBURY CATHEDRAL SCHOOL LIMITED (A COMPANY LIMITED BY GUARANTEE)

Opinion

We have audited the financial statements of Salisbury Cathedral School (the 'charitable company') for the year-ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, 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 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 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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Governors' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Directors' Report and the Strategic 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 Directors' Report and the Strategic Report included within the Governors' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SALISBURY CATHEDRAL SCHOOL LIMITED (A COMPANY LIMITED BY GUARANTEE)

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 Directors' Report or the Strategic Report included within the Governors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- 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 Governors' responsibilities set out on page 8-9, the Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SALISBURY CATHEDRAL SCHOOL LIMITED (A COMPANY LIMITED BY GUARANTEE)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents and evaluating advice received from external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls and revenue recognition for the cut off of income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and substantively testing the income recorded in the year and around the year-end.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <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.

Kerry Gallagher

KERRY GALLAGHER (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Davidson House
Forbury Square
Reading
RG1 3EU

Date 30 November 2021

Salisbury Cathedral School Limited (A company limited by guarantee)
STATEMENT OF FINANCIAL ACTIVITIES (and statement of income and expenditure)
for the year-ended 31 August 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2021 £	Total 2020 £
INCOME AND ENDOWMENTS FROM:						
Charitable activities:						
Fees receivable	2	2,678,833	-	-	2,678,833	2,410,832
Other educational income	3a	152,962	-	-	152,962	202,779
Other trading activities:						
Investment income	3b	7	10,671	-	10,678	2,717
Rents, lettings and other income		74,922	-	-	74,922	3,886
Donations		3,575	9,225	750	13,550	40,574
Government grants	4	55,455	-	-	55,455	125,003
Total income		<u>2,965,754</u>	<u>19,896</u>	<u>750</u>	<u>2,986,400</u>	<u>2,785,791</u>
EXPENDITURE ON:						
Charitable activities:						
Teaching costs		1,461,845	-	-	1,461,845	1,288,338
Educational support costs		1,222,813	38,757	-	1,261,570	1,075,344
Premises		340,318	-	-	340,318	265,494
Total expenditure	5	<u>3,024,976</u>	<u>38,757</u>	<u>-</u>	<u>3,063,733</u>	<u>2,629,176</u>
Gains on investments						
Unrealised gains on investments		-	-	39,711	39,711	8,169
Net income		<u>(59,223)</u>	<u>(18,860)</u>	<u>40,461</u>	<u>(37,622)</u>	<u>164,784</u>
Net movement in funds		<u>(59,223)</u>	<u>(18,860)</u>	<u>40,461</u>	<u>(37,622)</u>	<u>164,784</u>
Funds brought forward at 1 September 2020		<u>472,005</u>	<u>81,602</u>	<u>225,616</u>	<u>779,223</u>	<u>614,439</u>
Fund carried forward at 31 August 2021		<u>412,782</u>	<u>62,742</u>	<u>266,077</u>	<u>741,601</u>	<u>779,223</u>

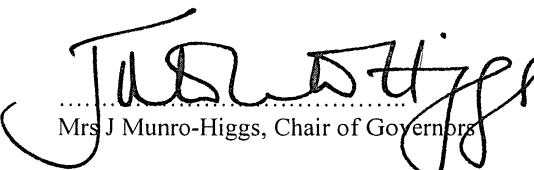
All income and expenditure arises from the charity's continuing activities. The notes on pages 17 to 30 form part of these financial statements.

Salisbury Cathedral School Limited (A company limited by guarantee)
BALANCE SHEET
as at 31 August 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	8	23,348	29,656
Tangible assets	9	107,724	94,809
Investments	10	266,177	226,466
		<u>397,249</u>	<u>350,931</u>
CURRENT ASSETS			
Stock	12	31,894	29,240
Debtors	13	123,444	192,288
Cash at bank and in hand		781,058	717,181
		<u>936,396</u>	<u>938,709</u>
CREDITORS: Amounts falling due within one year	14	<u>(551,794)</u>	<u>(458,002)</u>
NET CURRENT ASSETS		<u>384,602</u>	<u>480,707</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>781,851</u>	<u>831,638</u>
CREDITORS: Amounts falling due after more than one year	15	<u>(40,250)</u>	<u>(52,415)</u>
NET ASSETS		<u><u>741,601</u></u>	<u><u>779,223</u></u>
Representing:			
ENDOWED FUNDS	17	266,077	225,616
RESTRICTED FUNDS	18	62,742	81,602
UNRESTRICTED FUNDS			
General Fund		412,782	472,005
TOTAL FUNDS	19	<u><u>741,601</u></u>	<u><u>779,223</u></u>

These financial statements have been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006. The financial statements were approved and authorised for issue by the Board of Governors on **26.11.21** and signed on its behalf by:


.....
Dr James Fletcher, Governor


.....
Mrs J Munro-Higgs, Chair of Governors

Salisbury Cathedral School Limited (A company limited by guarantee)
STATEMENT OF CASH FLOWS
for the year-ended 31 August 2021

	Note	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	22	84,908	208,230
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(31,709)	(17,025)
Purchase of intangible fixed assets		-	(31,538)
Interest received		7	18
Dividends received		10,671	2,699
Proceeds on sale of tangible assets		-	-
		<hr/>	<hr/>
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES		(21,031)	(45,846)
		<hr/>	<hr/>
INCREASE IN CASH IN THE YEAR		63,877	162,384
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT 1 SEPTEMBER		717,181	554,797
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT 31 AUGUST		781,058	717,181
		<hr/>	<hr/>

Salisbury Cathedral School Limited (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year-ended 31 August 2021

1 ACCOUNTING POLICIES

GENERAL INFORMATION

Salisbury Cathedral School Limited is a private charitable company limited by guarantee, incorporated and registered in England and Wales.

The address of the charitable company's registered office and principal place of business is 1 The Close, Salisbury, Wiltshire, SP1 2EQ.

The company's principal activities are disclosed in the Governor's Report.

BASIS OF PREPARATION

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and under the historical cost convention, with the exception of investments which are included at market value. In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP) (as amended for accounting periods commencing from 1 January 2019) and the requirements of the Companies Act 2006.

Salisbury Cathedral School Limited meets the definition under FRS102 of a public benefit entity.

These financial statements are prepared in sterling which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

GOING CONCERN

In considering whether the going concern basis is appropriate, the Governors have considered income and expenditure and cash-flow projections prepared for the period to 31 August 2022 with longer term projections to 31 August 2026 also being considered. These projections have been based on known and expected pupil numbers and costs and indicate that the school will have sufficient cash and reserves to be able to meet its liabilities as they fall due.

In light of the above the Governors have concluded that there are no material uncertainties over the school's ability to continue as a going concern for a period of at least 12 months and as such it is appropriate to use the going concern basis in the preparation of these financial statements.

INTANGIBLE FIXED ASSETS

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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

Computer software	20% straight line basis
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TANGIBLE FIXED ASSETS

Motor vehicles, major items of office equipment and major property improvements have been capitalised and are being depreciated over their estimated useful economic lives. Routine repairs to properties are written off in the year of acquisition, because it is not considered that they have any recoverable value. Fixed assets are initially recorded at cost. Items costing less than £3,000 are written off as an expense as acquired.

The following rates of depreciation are used:

Motor vehicles	20% straight line basis
Furniture and office equipment	10% - 33% straight line basis
Property improvements	10% straight line basis

Salisbury Cathedral School Limited (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year-ended 31 August 2021

1 ACCOUNTING POLICIES (*continued*)

STOCKS

Stocks are stated at the lower of direct cost or net realisable value. Stocks comprise of catering raw material and consumables and uniform stock. Provisions are made for obsolete stock.

INVESTMENTS AND INVESTMENT INCOME

Investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the statement of financial activities. Investment income is accounted for in the period in which the charity is entitled to receipt.

CONSOLIDATED FINANCIAL STATEMENTS

The charitable company has taken advantage of the exemption in section 402 of the Companies Act from the requirement to prepare consolidated financial statements. Consequently, these financial statements present the financial position and financial performance of the charitable company as a single entity.

OPERATING LEASES

The rent payable under the leases for the school buildings, Boarding House and grounds are related to the level of the fees, and is charged as expenditure in the period to which it relates. Rent payable under other operating leases is charged as expenditure on a straight line basis over the lease terms.

FEES AND SIMILAR INCOME

Fees receivable and charges for services are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school from its restricted funds.

DONATIONS AND FUND ACCOUNTING

Donations received for the general purposes of the charity are included as unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to "restricted funds" where these wishes are legally binding on the Governors. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as "endowments" – permanent or expendable according to the nature of the restriction. Designated funds are those allocated to specific projects out of unrestricted funds, in accordance with Governors' decisions.

EXPENDITURE

Expenditure is allocated to the charity's principal activity where the costs can be identified as being directly related to that activity. All costs that cannot be identified as relating directly to the charity's principal activity are categorised as either support costs or governance costs and are allocated based upon a suitable ratio applicable to the nature of the cost involved. The irrecoverable element of VAT is included with the item of expense to which it relates.

Governance costs comprise the costs of running the charity including strategic planning for its future development and external audit, any legal advice for the Governors, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Salisbury Cathedral School Limited (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year-ended 31 August 2021

1 ACCOUNTING POLICIES (*continued*)

PENSION COSTS

Contributions to the Teachers' Pension Scheme and to the defined contribution schemes operated on behalf of other staff are charged as expenditure in the period to which they relate.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks and, other short-term liquid investments with original maturities of three months or less.

ACCEPTANCE DEPOSITS

Acceptance deposits are paid to the school to secure a place for the child at the school. Deposits held form part of the general funds of the school until the child leaves the school at which point they are credited without interest to the final payment of the fees or other sums due to the school. Deposits are held as creditors on the balance sheet and are classified as owing within one year and over one year based on when they are expected to be credited against income.

FINANCIAL INSTRUMENTS

The charitable company 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 listed investments which are subsequently measured at fair value.

FINANCIAL ASSETS

Fees and other debtors which are receivable within one year 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.

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in income and expenditure for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in income or expenditure.

FINANCIAL LIABILITIES

Creditors and provisions are recognised when the charitable company has a present obligation resulting from a past event that will probably result in a 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.

TERMINATION BENEFITS

Termination benefits are recognised immediately as an expense when the charitable company has demonstrably committed to terminating the employment of an employee or to provide termination benefits.

Salisbury Cathedral School Limited (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year-ended 31 August 2021

1 ACCOUNTING POLICIES (continued)

GOVERNMENT GRANTS

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

Salisbury Cathedral School Limited received a discretionary cash grant of £55,455 (2020: £125,003) from the government as part of the Coronavirus job retention scheme (CJRS). The CJRS compensates employers for 80% of an employee's wages up to the value of £2,500 per month, as well as the associated national insurance contributions (NICs) and employer pension contributions of employees placed on furlough. Furlough is the temporary leave of absence of an employee from working for their employer. The grant is conditional upon the employees remaining employed and on the company PAYE payroll, and the employee not completing any work for their employer which makes money or the provision services for their employer or any company associated with their employer. There are no unfulfilled conditions or contingencies attached to the grant, and the company did not receive any other forms of government assistance.

CRITICAL AREAS OF JUDGEMENT

In preparing the financial statements, the trustees 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.

Bad debt provisions

The school has recognised bad debt provisions where there is uncertainty whether specific accounts receivable are collectible. The judgements, estimates, and associated assumptions necessary to calculate these provisions are based on historical experience and other reasonable factors.

2 FEES RECEIVABLE

	2021 £	2020 £
Gross fees receivable	3,177,696	2,907,354
Less:		
Allowances	-	(4,043)
Means tested bursaries	(316,295)	(253,642)
Scholarships	(2,367)	(147,233)
Discounts	(214,787)	(91,604)
	<u>2,644,247</u>	<u>2,410,832</u>
Add back discounts and scholarships paid out of restricted funds	<u>34,586</u>	<u>-</u>
	<u>2,678,833</u>	<u>2,410,832</u>

All income from fees receivable was unrestricted in both 2021 and 2020.

Salisbury Cathedral School Limited (A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year-ended 31 August 2021

3 (a) OTHER EDUCATIONAL INCOME

	2021 £	2020 £
Reimbursements:		
Chorister Holidays	45,000	49,386
Sundry Income	4,025	25,957
	<u>49,025</u>	<u>75,343</u>
Recoverable extras and related income	69,571	97,737
Registration fees	5,050	8,950
Uniform Shop income	29,316	20,749
	<u>103,937</u>	<u>127,436</u>
	<u>152,962</u>	<u>202,779</u>

All income from other educational activities was unrestricted in both 2021 and 2020.

3 (b) INVESTMENT INCOME

	2021 £	2020 £
Bank interest received	7	18
Dividend income	10,671	2,699
	<u>10,678</u>	<u>2,717</u>

The income from investments was £10,678 (2020: £2,717) of which £7 (2020: £18) was unrestricted and £10,671 (2020: £2,699) was restricted.

4 GOVERNMENT GRANTS

	2021 £	2020 £
Coronavirus job retention scheme grant	<u>55,455</u>	<u>125,003</u>

Salisbury Cathedral School Limited furloughed a number of staff under the Government's Coronavirus job retention scheme (CJRS). The income from the Coronavirus job retention scheme (CJRS) was unrestricted. The income received relates to staff costs in respect of the staff who were furloughed.

Salisbury Cathedral School Limited (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year-ended 31 August 2021

5 ANALYSIS OF TOTAL EXPENDITURE

	Staff costs	Depreciation and amortisation	Other costs	Total 2021	Total 2020
	£	£	£	£	£
Charitable expenditure:					
Teaching costs	1,437,174	-	24,671	1,461,845	1,288,338
Educational support costs:					
Staff training & recruitment	-	-	15,875	15,875	25,246
Household expenses	-	-	130,075	130,075	294,854
Property and grounds	61,028	-	-	61,028	124,215
Other school running costs	521,790	-	453,760	975,550	557,366
Marketing costs	-	-	52,192	52,192	34,736
Loss/(profit) on disposal of fixed assets	-	-	-	-	5,371
Premises	-	25,102	315,216	340,318	265,494
Governance costs	-	-	26,850	26,850	33,556
	<u>2,019,992</u>	<u>25,102</u>	<u>1,018,639</u>	<u>3,063,733</u>	<u>2,629,176</u>

The expenditure on charitable activities was £3,063,733 (2020: £2,629,176) of which £3,024,976 (2020: £2,608,176) was unrestricted, £38,757 (2020: £20,250) was restricted and £nil (2020: £750) was from the endowment funds.

6 STAFF COSTS

	2021 £	2020 £
Wages and salaries	1,723,422	1,445,799
Social security costs	130,849	115,310
Pension costs	165,721	210,830
	<u>2,019,992</u>	<u>1,771,939</u>

Included in staff costs are termination payments totaling £nil (2020: £7,263) paid to 0 (2020: 1) individuals.

	2021 Number	2020 Number
The average numbers of employees, analysed by function, were:		
Teaching	42	45
Household	17	14
Maintenance	2	2
Administration	17	12
Other	0	1
	<u>78</u>	<u>74</u>

The number of employees whose emoluments (excluding pension contributions) exceeded £60,000 were:

	2021 Number	2020 Number
£60,000-£70,000	<u>1</u>	<u>1</u>

Contributions to Teachers' Pensions were made in respect of these employees of £21,077 (2020: £19,320).

Salisbury Cathedral School Limited (A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year-ended 31 August 2021

6 STAFF COSTS (continued)

The Governors have not received remuneration for their services in either year. No Governors were reimbursed any travel or expenses in either year.

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2021 £	2020 £
Aggregate compensation (including employer's NI)	331,562	287,139

7 EXPENDITURE

	2021 £	2020 £
Charitable activities expenditure includes:		
Operating lease charges – Building & land	107,920	143,559
Operating lease charges - Other	4,625	11,547
Depreciation and amortisation	25,102	20,047
Loss on disposal of fixed assets		5,371
Governance costs include:		
Auditor's remuneration:		
Audit services	26,850	13,000
Other services	-	4,000

8 INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 1 September 2020	31,538
Additions – separately acquired	-
At 31 August 2021	31,538
AMORTISATION	
At 1 September 2020	1,882
Charge for the year	6,308
At 31 August 2021	8,190
NET BOOK VALUE	
At 31 August 2021	23,348
At 31 August 2020	29,656

Salisbury Cathedral School Limited (A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year-ended 31 August 2021

9 TANGIBLE FIXED ASSETS

	Property improvements	Motor vehicles	Furniture and equipment	Total
	£	£	£	£
COST				
At 1 September 2020	497,924	51,339	258,374	807,637
Additions	7,344	-	24,365	31,709
Disposals	-	-	(81,377)	(81,377)
At 31 August 2021	<u>505,268</u>	<u>51,339</u>	<u>201,362</u>	<u>757,969</u>
DEPRECIATION				
At 1 September 2020	430,191	51,339	231,298	712,828
Charge for the year	10,189	-	8,605	18,794
Elimination on disposal	-	-	(81,377)	(81,377)
At 31 August 2021	<u>440,380</u>	<u>51,339</u>	<u>158,526</u>	<u>650,245</u>
NET BOOK VALUE				
At 31 August 2021	<u>64,888</u>	<u>-</u>	<u>42,836</u>	<u>107,724</u>
At 31 August 2020	<u>67,733</u>	<u>-</u>	<u>27,076</u>	<u>94,809</u>

10 (a) INVESTMENTS IN FUNDS

		Common Investment Funds £
Market value at 1 September 2020		226,366
Gain on revaluation		39,711
Market value at 31 August 2021		<u>266,077</u>
Cost at 31 August 2021		<u>104,141</u>
Cost at 31 August 2020		<u>104,141</u>
The holdings in charitable common investment funds consist of:	2021	2020
	£	£
CBF Church of England Investment Fund	Units 11,584	11,584
	Value 266,077	226,366

Salisbury Cathedral School Limited (A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year-ended 31 August 2021

10 (b) INVESTMENTS IN SUBSIDIARIES

	2021 £	2020 £
Investments in subsidiaries	100	100

11 SUBSIDIARIES

These financial statements are separate company financial statements for Salisbury Cathedral School Limited.

Details of the company's subsidiaries at 31 August 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shareholding	% Held Direct
Salisbury Cathedral School Enterprises Ltd	a)	Dormant	Ordinary	100.00

a) 1 The Close, Salisbury, Wiltshire, SP1 2EQ

12 STOCK

	2021 £	2020 £
Uniform	31,704	29,050
Food	190	190
	<u>31,894</u>	<u>29,240</u>

13 DEBTORS

	2021 £	2020 £
Fees	86,858	125,719
Prepayments and accrued income	30,956	66,569
Other debtors	5,630	-
	<u>123,444</u>	<u>192,288</u>

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Fees received in advance	422,749	285,369
Trade creditors	38,817	45,541
Amounts owed to subsidiary	100	100
Other taxation and social security	32,300	26,618
Refundable deposits	7,243	8,828
Accruals and deferred income	16,614	28,463
Other creditors	33,971	63,083
	<u>551,794</u>	<u>458,002</u>

Salisbury Cathedral School Limited (A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year-ended 31 August 2021

15 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Refundable deposits	<u>40,250</u>	<u>52,415</u>

16 FINANCIAL INSTRUMENTS

	2021	2020
	£	£
CARRYING AMOUNT OF FINANCIAL ASSETS		
Financial assets measured at fair value through profit and loss	<u>266,077</u>	<u>226,366</u>

17 ENDOWMENTS

	Balance at1 September 2020	Movement in funds			Balance at 31 August 2021
	£	Income	Gains	Transfers to other funds	£
Scholarship funds	175,590	750	30,935	-	207,275
Windsor Prize Fund	16,063	-	2,818	-	18,881
Fitzgerald Scholarship Trust	14,246	-	2,499	-	16,745
Head Master's Fund	19,717	-	3,459	-	23,176
	<u>225,616</u>	<u>750</u>	<u>39,711</u>	<u>-</u>	<u>266,077</u>
	Balance at1 September 2019	Expenditure	Gains	Transfers to other funds	Balance at 31 August 2020
	£	£	£	£	£
Scholarship funds	169,976	(750)	6,364	-	175,590
Windsor Prize Fund	15,483	-	580	-	16,063
Fitzgerald Scholarship Trust	13,732	-	514	-	14,246
Head Master's Fund	19,006	-	711	-	19,717
	<u>218,197</u>	<u>(750)</u>	<u>8,169</u>	<u>-</u>	<u>225,616</u>

The above gains consist of revaluations in investment assets.

The Endowment Funds are represented by fixed asset investments. The income of all the funds must be used for restricted purposes as explained in note 18.

Salisbury Cathedral School Limited (A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year-ended 31 August 2021

18 RESTRICTED FUNDS

(a)	Usage of funds	Balance at1 September 2020	Movement in funds			Balance at 31 August 2021
			Income	Expenditure	Transfers to other funds	
		£	£	£	£	£
	Scholarship funds	31,021	9,164	(14,495)	-	25,690
	Windsor Prize Fund	1,878	484	-	-	2,362
	Fitzgerald Scholarship Trust	5,096	2,304	-	-	7,400
	Head Master's Fund	4,171	4,444	(4,171)	-	4,444
	John Robinson Fund	2,168	-	-	-	2,168
	Ouseley Trust	21,417	2,000	(12,417)	-	11,000
	Tindall Trust	8,177	1,500	-	-	9,677
	Hardship bursary	450	-	(450)	-	-
	Other	7,224	-	(7,224)	-	-
		<u>81,602</u>	<u>19,896</u>	<u>(38,757)</u>	<u>-</u>	<u>62,741</u>

(a)	Usage of funds	Balance at1 September 2019	Movement in funds			Balance at 31 August 2020
			Income	Expenditure	Transfers to other funds	
		£	£	£	£	£
	Scholarship funds	29,769	1,252	-	-	31,021
	Windsor Prize Fund	1,308	570	-	-	1,878
	Fitzgerald Scholarship Trust	4,684	412	-	-	5,096
	Head Master's Fund	3,706	465	-	-	4,171
	John Robinson Fund	2,030	138	-	-	2,168
	Ouseley Trust	15,417	18,000	(12,000)	-	21,417
	Tindall Trust	3,000	13,427	(8,250)	-	8,177
	Hardship bursary	-	450	-	-	450
	Other	7,224	-	-	-	7,224
		<u>67,138</u>	<u>34,714</u>	<u>(20,250)</u>	<u>-</u>	<u>81,602</u>

(b) Usage of funds

Scholarship funds

The income from the endowments of these funds is to provide particular academic and music scholarships to pupils at the Cathedral School.

Head Master's Fund

This fund may be spent at the Head Master's discretion for the benefit of the Cathedral School or its pupils.

Windsor Prize Fund

This fund was set up to provide two annual prizes for musical ability, one to a chorister the other to a non-chorister. The prize has been awarded against fees due.

Salisbury Cathedral School Limited (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year-ended 31 August 2021

18 RESTRICTED FUNDS (*continued*)

John Robinson Memorial Fund

This fund was donated by the Sarum Voices committee to assist a new probationer/chorister, who might otherwise be financially challenged, to have instrumental lessons for one year.

Ouseley Trust Fund

This fund was set up to provide funding to named choristers.

Tindall Trust

This fund was set up to support the music department's outreach work.

Hardship Bursary

This fund was set up to assist individuals who were in financial difficulties, particularly due to the impact of COVID-19.

Other restricted funds

This fund was donated by a parent of an ex-student to be used, at the discretion of the school, to help other families in need of financial assistance.

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2021 are represented by the following net assets:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
Intangible fixed assets	23,348	-	-	23,348
Tangible fixed assets	107,724	-	-	107,724
Investments	100	-	266,077	266,177
Current assets	873,654	62,742	-	936,396
Current liabilities	(551,794)	-	-	(551,794)
Long term liabilities	(40,250)	-	-	(40,250)
	<u>412,782</u>	<u>62,742</u>	<u>266,077</u>	<u>741,601</u>

Fund balances at 31 August 2020 are represented by the following net assets:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
Intangible fixed assets	29,656	-	-	29,656
Tangible fixed assets	94,809	-	-	94,809
Investments	100	-	226,366	226,466
Current assets	857,857	81,602	(750)	938,709
Current liabilities	(458,002)	-	-	(458,002)
Long term liabilities	(52,415)	-	-	(52,415)
	<u>472,005</u>	<u>81,602</u>	<u>225,616</u>	<u>779,223</u>

Salisbury Cathedral School Limited (A company limited by guarantee)
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20 PENSIONS

Royal London Pension Fund

The School operates a defined contribution scheme with Royal London for its teaching staff.

The pension charge for the year includes contributions payable to the scheme of £142,644 (2020: £127,249) and at the year-end £20,356 (2020: £11,425) was payable and included within creditors.

Support Staff Pension Fund

The School operates a defined contribution scheme. Total employer contributions for the year were £23,077 (2020: £19,338).

The total pension contributions outstanding at 31 August 2021 amounted to £3,990 (2020: £2,629).

21 COMMITMENTS

At the reporting date, the total of the school's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Leases which expire:		
Within one year	124,624	158,102
In one to five years	28,476	345,433
	<u>153,100</u>	<u>503,535</u>

22 NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of net income to net cash inflow from operating activities:

	2021 £	2020 £
Net income	(37,622)	164,784
Depreciation of tangible assets	18,794	18,165
Amortisation of intangible assets	6,308	1,882
Loss/(profit) on disposal of fixed assets	-	5,371
Revaluation of investments	(39,711)	(8,169)
Interest received	(7)	(18)
Dividends received	(10,671)	(2,699)
(Increase)/decrease in stocks	(2,654)	(3,118)
Decrease/(increase) in debtors	68,844	(40,852)
Increase/(decrease) in creditors	81,627	72,884
	<u>84,908</u>	<u>208,230</u>

Analysis of changes in net funds

	At 1 September 2020 £	Cash flow £	At 31 August 2021 £
Cash at bank and in hand	<u>717,181</u>	<u>63,877</u>	<u>781,058</u>

Salisbury Cathedral School Limited (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year-ended 31 August 2021

23 TRANSACTIONS WITH RELATED PARTIES

(a) Transactions with the Member

The School's land and buildings are leased from The Cathedral Church of the Blessed Virgin Mary of Salisbury and from trusts managed and controlled by them. The rent payable during the year-ended 31 August 2021 was £107,920 (2020: £112,667).

The Cathedral Church of the Blessed Virgin Mary of Salisbury reimbursed expenses incurred by the School for administering the choirs and accommodating them during school holidays at a cost of £63,000 (2020: £49,386). The Cathedral also made contributions to school fees of £240,289 (2020: £288,518).

No amounts were outstanding at the year-end (2020: £nil).

(b) Transactions with Governors

Christine Cooper School Uniform, a company owned by a Governor of the school, made sales to Salisbury Cathedral School in the year of £4,662 (2020: £3,086). At the year-end £803 was outstanding (2020: £nil).

One Governor was contracted as interim finance manager for the School during the year on normal commercial terms. Sales totalled £6,740 in the year with £nil outstanding at year-end

Total donations received from Governors during the year amounted to £nil (2020: £nil). No amounts were outstanding at the year-end (2020: £nil).

(c) Transactions with Subsidiary Company

At the balance sheet date, the charity owed Salisbury Cathedral School Enterprises Limited £100 (2020: £100).