

# SEVENOAKS PREPARATORY SCHOOL LIMITED

England & Wales · Charity number 1100021

## Details

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Other names	SPS CHARITABLE TRUST
Status	Registered
Legal form	Charitable company
Company number	<a href="#">03777308</a>
Registered	2003-10-13
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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**Address** Sevenoaks Preparatory School  
Godden Green  
Sevenoaks  
TN15 0JU

**Phone** 01732762274

**Email** [bursar@theprep.org.uk](mailto:bursar@theprep.org.uk)

**Website** [theprep.org.uk](http://theprep.org.uk)

## Activities

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**Objects:** TO ESTABLISH AND CARY ON IN GREAT BRITAIN (AND ANY OTHER COUNTRIES) SCHOOLS AT OR BY MEANS OF WHICH STUDENTS MAY OBTAIN EDUCATION AND INSTRUCTIONS IN LANGUAGES, MATHEMATICS, GEOGRAPHY AND HISTORY, AND ALL OTHER SUBJECTS WHATSOEVER THAT MAY BE INCLUDED IN A COMMERCIAL, TECHNICAL, SCIENTIFIC, CLASSICAL OR ACADEMIC EDUCATION.

**Activities:** To carry on in Great Britain schools at or by means of which students may obtain educational instruction in languages mathematics geography and history and all other subjects whatsoever that may be included in a commercial, technical, scientific, classical or academic education.

## Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People

## Geography

- **Area of benefit:** IN GREAT BRITAIN (AND ANY OTHER COUNTRIES).
- Kent

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£5,626,232	£5,468,689	£5,795,464	81
2024-08-31	£5,659,556	£5,317,322	£5,637,921	82
2023-08-31	£5,700,032	£5,101,204	£5,228,670	83
2022-08-31	£5,333,477	£4,954,425	£4,629,842	82
2021-08-31	£4,908,812	£4,565,091	£4,250,790	85

## Trustees

Name	Role	Appointed
<b>JANETTE SUSAN BERRY</b>	Chair	
Alex Durnell		2017-10-11
Arabella Stuart		2022-10-12
Kate Wheaton		2026-03-19
Kevin Rush		2020-10-14
MR E OATLEY		
Mr Simon Bailey		2021-11-24
Tiffany Hornshaw		2020-10-14

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

England & Wales - Charity number 1100021

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# Accounts

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REGISTERED COMPANY NUMBER: 03777308 (England and Wales)  
REGISTERED CHARITY NUMBER: 1100021

GOVERNORS' REPORT AND  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025  
FOR  
SEVENOAKS PREPARATORY SCHOOL LIMITED

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

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FOR THE YEAR ENDED 31 AUGUST 2025**

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## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

The governors who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2025. The governors have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

#### OBJECTIVES AND ACTIVITIES

##### Objectives and aims

The School seeks to provide an education for life. It aims to achieve this through the 'Way of Life', together with an academic approach that focuses on the needs of the individual. In addition, the School sets out to encourage every pupil to be the best they can be, both inside and outside the classroom. The School's ethos is central to its aims and emphasizes strong pastoral care of pupils, nurturing each one and supporting parents and children alike.

Our aims are:

- to ensure the safeguarding of all pupils.
- to afford all pupils opportunities to succeed both inside and outside the classroom.
- to recruit and retain the highest calibre of teaching and support staff who embody our Way of Life.
- to provide excellent pastoral care and nurture outstanding relationships between staff, pupils and parents.
- to be a warm, friendly, family school.
- to provide individualised learning which we believe is best provided for in small class sizes.
- to utilise technology to aid student learning and to ensure that our ICT provision complements existing and future teaching strategies
- to progress the School's commitment to bursaries.
- to develop the School's involvement with local, national and international charities.
- to maintain and enhance the school's environment and facilities.
- to maintain a balanced budget approach to managing its financial resources and expenditures.

Sevenoaks Prep "Way of Life"

- I ought to think at all times how my every action will affect others in my life: parents, friends, relations, teachers and everyone younger than myself.
- I ought to treat all others as I would want to be treated myself, and take a personal interest in how other people feel.
- I ought not to touch anything that is not mine, unless with permission or unless I am being helpful.
- I ought to be polite to everybody at all times and be positive in my actions.
- I ought to take responsibility for my own maturity by ensuring I assist in the smooth running of the school and my home.
- I ought to take ownership of my studies, concentrating and applying myself to achieve to the best of my ability.
- I ought to obey in the right spirit the instructions of my teachers and parents.
- I ought to report immediately any damage or unfortunate behaviour to my teachers and/or my parents.
- I ought to remember that in life my aim should be to solve problems not cause them, to build bridges rather than knock them down, to trust others and to be trusted, to put the needs of others first and mine last, to improve and make better whatever or whoever I am involved with.
- I ought, at all times, to be totally honest to myself and to others.

#### CHARITABLE OBJECTS

The objects of the School as set out in the Articles of Association, are to establish and carry on in Great Britain (and any other countries) Schools at or by means of which students may obtain education and instructions in languages, mathematics, geography and history, and all other subjects whatsoever that may be included in a commercial, technical, scientific, classical or academic education.

In setting the objectives the governors have given careful consideration to the Charity Commissions' general guidance on public benefit.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

#### OBJECTIVES AND ACTIVITIES

##### Significant activities

Sevenoaks Prep continues to develop its broad and challenging curriculum to equip children with the knowledge, skills and experience needed for tomorrow. Our location, in 25 acres of well-managed playing fields and woodland, provides not only a vast playground but also the opportunity to extend the classroom and deliver hands-on learning indoors and out in the open.

We are focussed on improving the mental health and wellbeing of all our pupils and staff. A wellbeing team has been created and mental health prefects appointed to actively support the emotional wellbeing and mental health of the whole school.

##### Arts

Music continues to be a vibrant part of life in the School. In the Pre-Prep there are weekly singing assemblies, music lessons, particularly piano and violin, remain hugely popular, with a record number of children participating this year. The Year 2 Recorder Club performed at the Christmas and summer shows and The Pre-Prep Choir, for Years 1 and 2, regularly performs at school events. The music department for The Prep side has had an exciting year, celebrating music in all its forms. Highlights included the annual house music competition, the senior music concert, Christmas concert, Christmas carol service and Prep Idol (our annual battle of the bands). We have participated in events such as King's Rochester Orchestra Day, the IAPS Festival of Singing at Benenden, Strings Day at Walthamstow Hall and our choir attended the Young Voices concert at the O2 and performed in a choir with thousands of children.

Our Pre-Prep Nativity and Summer Shows beautifully showcase the children's growth, creativity and courage. From heartwarming moments in the Nativity to the vibrant energy of the Summer performances, each production highlights their developing confidence and teamwork. Year 3 and Year 4 proudly showcased their singing and acting skills in their end of year shows. Our middle school production was Peter Pan Jr. and Years 5&6 gave an enchanting performance bringing warmth and humour to this magical journey to Neverland. Years 7&8 delivered a confident and captivating performance of Frankenstein, with standout acting and an atmospheric set that kept the audience spellbound and then at the end of the year took the lead in directing and producing their own plays for their house drama productions.

The art department at the Prep has had another lively year, with children from Reception all the way up to Year 8 coming weekly to explore and create. The Pre-Prep children have created pieces inspired by their class topic; Reception wowed with their painted dinosaur landscapes, Year 1 grew their cutting and collaging skills by creating superhero cityscapes, and Year 2 impressed with their African wax batik and tree designs. All of the children have the chance to develop their growing skills, and the roomy studio gives us the opportunity for them to make collaboratively on a large scale. The Year 2 sea-inspired work that went towards decorating the stage at their summer show was especially memorable and showed that working together on something can have a big impact.

The Prep children were just as busy. Year 3 created some characterful cardboard pigeons to commemorate the role of messenger birds during warfare. Year 4 developed their painting skills and to accompany their English topic, learnt to layer watercolour to create beautiful stream views. Year 5 impressed us with their architectural model of Petra (from Jordan) and explored the connection between music and art through the genre of abstraction. Year 6 fooled us all with their skills during the annual Great British Fake Off, making fake food that genuinely looked good enough to eat! Year 7 grew their printmaking skills and learned to use layers to add depth and interest to their designs. In their final year, Year 8 got to grips with photography and discovered how to use objects as a form of portraiture, thinking about metaphor and meaning within their own work.

##### Sports

###### Football

Football continues to be the sports focus for the boys during the Autumn Term. Coaching within weekly games lessons centred on developing both individual skills and team strategy, with numerous teams - from A to E - representing each year group from Year 3 and Year 4 through to the Colts (Years 5 and 6) and the Senior team. Regular fixtures against local schools and participation in tournaments provided valuable opportunities for pupils to test their skills and teamwork, resulting in some impressive performances and well-deserved wins. It was also fantastic to see our girls' football provision grow this year, with a dedicated club established and a team of Year 5 and 6 girls competing at a tournament hosted by Chelsea Football Club in Cobham. They performed brilliantly, conceding only two goals throughout and securing an impressive fourth-place finish.

###### Cross Country

We had teams participate in the main cross country events this year with some standout performances.

We took 41 pupils to Somerhill School Regional Cross Country which is renowned for its challenging course and our pupils rose to the occasion. We are especially proud of our U9 Boys' team and U11 Girls' team, who both placed a fantastic 2nd overall, with standout performances from one of our U9 boys and one of our U11 girls, each finishing 4th in their respective races.

## **SEVENOAKS PREPARATORY SCHOOL LIMITED**

### **GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025**

#### **OBJECTIVES AND ACTIVITIES**

We had over 200 competitors from more than 10 different schools take part in our annual Thomas Trophy cross country competition and we are proud of all our runners who participated. We had numerous top 10 finishes and a special well done to two of our U9 boys who came 2nd and 3rd in the U9 boys' race, helping secure first place for our U9 boys' team. In the combined team categories, the girls placed 2nd overall and the boy's placed 3rd which is a fantastic achievement.

The season ended with the Goodman & Hutchins Cross Country mixed cross country relay and our runners gave it their all showing great determination and teamwork and it was a brilliant effort to end our cross country season.

#### **Rugby**

The rugby season started with an inspirational day with George Gregan, former Wallabies captain and second most capped Australian player of all time. He led an engaging Q&A session with pupils, staff and parents and then headed to the pitch to lead coaching sessions with our Years 6-8 boys.

Our teams had a good season on the pitch with special mention to our Year 6 rugby team for their remarkable progress over the past few years, their growth and progress as players and as a team was evident in the Solefield School's annual U11 rugby sevens tournament where they had a narrow defeat in a thrilling final.

The Prep hosted our U13 Culley Cup Rugby 7s tournament which was a great success with an exceptional standard of play and some closely contested matches. The following week, we hosted the Rugby 7s tournament for U11 boys, in which our Year 6 A team took part. The boys faced some tough opposition in their first two matches; however, they put their disappointment behind them and played an excellent game of rugby to finish with a well-deserved win, securing the bronze medal.

#### **Cricket**

It was wonderful to see our cricket pitches full of energy over the cricket season with teams enjoying the game across our picturesque grounds. Cricket at The Prep is a truly inclusive sport with boys and girls playing together on teams selected by ability, not gender, with both hard ball and soft ball cricket available - ensuring everyone gets the chance to play, progress and enjoy the game. Pupils could choose whether they played hard or soft ball cricket and enjoyed competing in regular fixtures.

#### **Hockey**

We enhanced our hockey provision this season with a partnership with Sevenoaks Hockey Club who coached our hockey teams alongside our sports department.

Our U11 hockey team had a strong season and although they brought home the bronze medal they narrowly missed out on a spot at the National Finals at the IAPS Hockey Regional Qualifiers. At the County In2Hockey tournament, hosted at The King's School Canterbury on Monday they finished as runners-up, bringing home silver medals and qualifying for the regional competition.

#### **Netball**

The netball season began just before the Christmas holidays, with coaching for all year groups from Year 3 upwards during their Games lessons. The girls had a busy start to their netball season with lots of fixtures providing valuable match experience - playing against Kent College, Hilden Grange, Derwent Lodge, Solefield and St Michael's, as well as tournaments at Sevenoaks School and Hazelwood. As the season progressed, our netball continued to go from strength to strength, with some outstanding individual displays and excellent teamwork on show. A particular highlight of the term was welcoming Joan Mills MBE, former President of England Netball, to The Prep. Joan has made an extraordinary contribution to the sport at every level - local, county, regional and national - and she inspired our pupils with her passion and expertise, both in her talk and during an energetic on-court session filled with valuable tips and encouragement. To end the netball season we held house netball matches with mixed-age teams giving the girls the opportunity to play alongside different year groups.

#### **Athletics**

In the lead-up to Sports Day, our Year 3-8 pupils enjoyed a series of athletics afternoons, competing in events such as hurdles and the 600m and practising their ball throw, long jump and high jump techniques - as well as some exciting relay races. Prep Sports Day was packed schedule with the children taking to the rack and field bright and early to beat the heat and it was a fantastic morning of athletics.

We took 27 pupils to the Julie Rose Stadium in Ashford to compete in the Independent School District Athletics Competition with our athletes participating in a range of events and we were delighted that we had four of our pupils qualify for the National Athletics championships which took place the following month.

We narrowly missed out on an overall victory at an athletics competition at St Michael's Prep School. Points were awarded based on each competitor's performance, all contributing to the overall team scores. There were some outstanding individual and team efforts and the pupils showed great determination and teamwork throughout.

#### **Tennis**

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

#### OBJECTIVES AND ACTIVITIES

We were delighted to welcome Matchpoint Tennis Coaching to lead our tennis provision at The Prep this year. Pupils from Year 2 to Year 8 could take part in group or individual sessions, designed to inspire a love of the game and develop skills at every level. We had multiple pairings representing the school in both the boys' and girls' competitions at a competition at Sevenoaks School with one boys orange ball pairing securing silver medals and one of our girls' green ball doubles pairings earning bronze.

#### Indoor Rowing

We introduced Indoor Rowing at The Prep this year and were delighted to have 12 students compete in the National Junior Indoor Rowing Competition. We were thrilled to welcome Emily Craig MBE, British women's lightweight double sculls Olympic champion and three-time world champion rower, to The Prep. She shared her remarkable story and then pupils had the fantastic opportunity to refine their technique with Emily on our rowing machines.

#### Trips and Workshops

We have been able to schedule many more trips and workshops for the children over the year, some of which are listed below:

##### Year Group Trips 2024-2025

Reception Dig Up Dinosaurs (in-school workshop from outside agency), Port Lympne Safari Park, Biggin Hill Airport  
Year 1 The Royal Observatory Greenwich, Leeds Castle and Godstone Farm  
Year 2 Kent Life Museum, Fire Engine visit (in-school visit from Kent Fire and Rescue Services), Matilda the Musical, Hastings Aquarium and RNLI trip  
Year 3 Young V & A, Kent Life and Rocks and Fossils workshop  
Year 4 The Observatory Science Centre, Herstmonceux, Knole House  
Year 5 Horton Kirby and Caroty Wood  
Year 6 Warner Bros Studio Tour, PGL residential in Paris  
Year 7 Bushcraft, Dover Geography/ Biology/ sustainability trip, Bletchley Park, Belgium/ France Battlefields  
Year 8 Bushcraft, South Coast, River Bourne, Bletchley Park, Belgium/ France Battlefields, London theatre trip

The children's learning is also supported during the year by putting on and attending a wide range of workshops, such as British Science Week with this year's theme being 'Change and Adapt', World Book Day, author visits, Creative Arts Week with the theme of dreams where pupils immersed themselves in a wide range of exciting workshops including art, drama, dance, music and photography, Years 7&8 Lecture Series, the yearly Scholastic Book Fair, Diwali and dance workshops, visiting performances of pantomimes, specialist sport tuition, and the ever popular Duck Watch of hatching ducklings.

Our regular school events that involve our community of children, parents and staff includes the Quiz Night, Golf Day, Cricket Day, Prep Idol, Burns Night, Grandparents Day, Maypole Dancing, Kindergarten Grand Prix, Family Day, Wreath Making, Carol Concert and Christmas Bazaar. This year over 230 members of our Prep community came together at our dazzling Mardi Gras ball which raised money for both the school and a local charity Friends for Family.

The school encourages a more environmental approach wherever it can, and this year has been building on the Eco School status with more work being done by the children on our Eco Committee to reduce our impact on the environment.

Alongside this, the whole school has benefitted from outdoor learning and use of our outdoor "forest" classrooms and natural areas in our lovely grounds. We have highly qualified specialist staff running these sessions which support children's independence and love of nature as well as teaching them new skills.

#### Public benefit

Our continuing involvement as a school with local, national and international charities supports the work we do in making children aware of the wider environment and to raise funds for those in need. During the school year we have collected food bank donations for Sevenoaks Larder, and the Spring Ball organised by the parents raised a large amount of money for Friends for Families, which is a local charity supporting the work of social workers with deprived families.

We have several staff who are Governors at other local schools and donate their time and skills, and nationally we raised funds for the Salvation Army, Macmillan Cancer, and the Poppy Appeal. Internationally we also supported the Haller Community charity in Kenya and We See Hope in Kenya, Malawi, Tanzania, Uganda and Zimbabwe from various initiatives that the children themselves set up and ran.

During each school holiday we host a variety of clubs and activities run by external providers to offer fun and challenging experiences and in holiday childcare. Our facilities are used for this and they are available to all working families whether they attend our school or not.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

#### OBJECTIVES AND ACTIVITIES

##### Scholarships (Years 6 and 8)

Our exceptional teaching team ensures that every pupil is motivated, challenged and well-prepared for examinations and scholarships at both independent and local grammar schools. This commitment has led to another year of outstanding achievements, including 15 scholarships in academic, sport, music and drama - with academic scholarships awarded to one-third of Year 6 pupils offered places at Sevenoaks School and three-quarters at Caterham.

The following scholarships were awarded to our pupils;

- 10 Academic Scholarships including Sevenoaks School and Caterham
- 2 Sports Scholarships
- 2 Music Scholarships
- 1 Drama Scholarship

##### Destination Schools

Pupils gained places at their chosen 11+ / 13+ senior independent schools and many were awarded places at two or more schools.

This year our Year 6 pupils have secured places at a fantastic range of secondary schools, many for Year 9 places. These include Tonbridge, Sevenoaks, Caterham, Judd, Tonbridge Grammar, Walthamstow Hall, Sutton Valence, Kent College, and further afield to Hurst, Benenden, Worth, Bethany and Lingfield College.

All six of our Year 7 pupils who sat the Sevenoaks School entrance exam for Year 9 entry this term have been awarded places.

We had an inspection by the Independent Schools Inspectorate (ISI) and the inspectors praised both the high calibre of our academic provision and the exceptional personal development of our pupils.

"Pupils are well prepared for the next stages in their education and future lives"

"...leaders' high ambition for pupils' achievement is realised"

"Pupils make good progress, enjoy their learning and respond creatively to the challenges set."

#### FINANCIAL REVIEW

##### Financial position

The income of the School arises from fees and donations received and interest earned on short term deposits with the bank.

The charitable expenditure is all met from this income. The governors consider the assets and the operation of the School are sufficient in the short term to maintain its obligations in full.

During the year, the Government introduced Value-Added Tax (VAT) onto school fee income and some extras. The School chose to initially pass on only 6% of this increase to parents leading to a net 12% reduction in fees received. Notwithstanding this headwind, total income during the year ended 31 August 2025 was broadly level at £5,626,232 (2024: £5,659,556) and the expenditure was £5,468,689 (2024: £5,317,322) which resulted in a surplus for the year of £157,543 compared to a surplus of £342,234 generated in the previous year. All of the School's expenditure was spent in advancement of its charitable objectives.

##### Investment policy and objectives

The governors investment powers are governed by the Memorandum and Articles of Association which permit the governors to make any investments they deem fit. Most of the funds generated by the School are used in the short term in achieving the charitable aims and objectives. There are no funds available for external long term investments. Short term surplus funds are held on deposit with the bank.

##### Reserves policy

The governors have a policy of achieving an operational surplus to continue to invest in maintaining educational facilities that meet and exceed the current recommendations and standards.

It is the School's policy to hold unrestricted cash reserves equal to at least three months budgeted expenditure, which equates to between £1.1m and £1.25m (2024: £1.1m and £1.25m).

The School holds restricted funds of £68,835 (2024: £63,760) which have been donated for the funding of bursaries. Unrestricted funds of £5,726,629 (2024: £5,574,161) allow the school to carry out its charitable objectives. The total funds held were £5,795,464 (2024: £5,637,921).

#### FUTURE PLANS

Given the uncertain economic situation the school does not have any immediate plans for capital development.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

#### REPORTABLE INCIDENTS

There have been no reportable incidents during the year.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### Appointment and re-appointment of governors

The Articles of Association allow for there to be between seven and twenty appointed governors. There are currently 12 on the Board. Governors are appointed by the existing Board members in the first instance and they are re appointed for 3 years and can serve up to a maximum of 3 terms of 3 years unless there are extenuating circumstances.

##### Organisational structure

None of the governors has any beneficial interest in the company. All the governors are members of the company and guarantee to contribute £10 in the event of a winding up

The board of governors met at least once per term on 7<sup>th</sup> October 2024, 20<sup>th</sup> November 2024, 13<sup>th</sup> March 2025, 12<sup>th</sup> June 2025.

The main Sub Committee of the governors is the Executive Committee which meets once a month to discuss the day to day matters concerned with the running of the School. Major items are passed to the Main Board for discussion, with the Executive Committee's recommendations. The Chairman and Vice Chairman sit on this Committee with the Headmaster, Bursar, Deputy Head and Head of Pre-Prep in attendance.

The other permanent Sub Committees are as follows:

Academic Committee	C Jones	Chair
Finance and Risk Committee	J Berry	Chair
Bursary Committee	K Rush	Chair
Estates and Facilities Committee	A Durnell	Chair
Safeguarding and Wellbeing Committee	T Hornshaw	Chair

The governors bring many years of experience in a wide variety of professional fields, such as finance, education and medicine. The "day to day" running of the School is delegated to the Headmaster Luke Harrison and the Bursar, Andrew Hodgkin. They work in cooperation with the Senior Management Team, who are the Deputy Head, Head of Pre-Prep, Assistant Heads and Head of Early Years.

##### Key management remuneration

In line with pay for all staff, key management pay is considered by the governors' Finance and Risk Committee who make recommendations to the full board. In deciding the level of remuneration, the committee consider the current market demand for pupils, the financial strength of the School and the economic outlook. The key management roles are detailed in note 12 of the accounts.

#### COMMUNITY LINKS AND PUBLIC BENEFIT

Part of the School's aims is to develop involvement with local, national and international charities. This is an important way of developing children's understanding of wider society. During the school year we have collected food bank donations for Sevenoaks Larder, and the children, parents and staff worked to raise money for local charities such as Friends for Families and by donating Christmas gifts to the Salvation Army. We supported raising money for national charities such as Macmillan Cancer, the Poppy Appeal and the Red Cross Appeal for Ukraine, and Internationally as we raised and donated funds to Phoenix Football Academy in Ghana, the Haller Community charity in Kenya and We See Hope in Kenya, Malawi, Tanzania, Uganda and Zimbabwe.

During each school holiday we host a variety of clubs and activities run by external providers to offer fun and challenging experiences and in holiday childcare to all working families whether they attend our school or not.

##### Engagement with employees

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees has continued at all levels with the aim of taking their views into account when decisions are made that are likely to affect their interests. The staff council continued to be consulted and to contribute suggestions to the executive.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Risk management

Sevenoaks Prep School Board of governors is responsible for the management of the risks faced by the School. Risks are identified, assessed and controls established throughout the year. The full Risk register is reviewed annually by the Finance and Risk sub committee of the Board and it is a standing item on their termly agenda.

The governors consider the major potential risks to the School to be:

- A challenging economic environment adversely affecting pupil numbers & fee levels.
- Inflationary pressures on certain costs.
- Competition from both independent and state schools for pupils.
- Ensuring Safeguarding & Inspection in an increasingly regulated environment.
- The threat of a specific cyber attack on the school.
- The continuing impact of the proposed imposition of VAT on school fees by future Labour Government.

The key controls used by the School to mitigate risks include:

- Formal agenda for Committee and Board activities.
- Detailed Terms of reference for all Committees.
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational structure and lines of reporting.
- Formal written policies.
- Robust scrutiny of policies.
- Clear authorisation and approval levels.
- Safer recruitment as required by law for the protection of the vulnerable.
- Staff training, Child Protection and safeguarding.
- Data protection measures in place to protect the cyber security of School data including restriction of access authentication, the holding of back-ups and purchase of insurance

Through the risk management processes established by the School, the governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that the systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

##### Bursary Policy

This year the Charity awarded Bursaries of £47,546 (0.86% of fee income) 2024: £24,637 (0.44% of fee income) from unrestricted funds, specifically the general bursary reserve. The governors' policy, in line with that of most other independent schools, is to award Bursaries on the basis of need. All Bursaries are means tested on application.

A separate bursary fund has been established and is overseen by a subcommittee of 3 governors, the Head and the Bursar. Our aim is to build up a fund which will support a child attend the School. This would be over and above the funds already set aside by the School.

##### Pension schemes

The School participates in the Teachers' Pension Scheme (TPS) for its teaching Staff and an auto enrolment scheme run by People's Pensions for support staff.

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

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The current employer contribution rate for the TPS is 28.6%. Following the completion of a consultation process the governors have limited the contribution as employers to 20.1% from September 2022 and have provided a Total Remuneration Package (TRP) which gives the option to teachers of either remaining in the TPS or joining an alternative defined contribution pension.

For the Support Staff Pension administered by the People's Pension the employer contribution was 3% and the employee rate is 5%.

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2025**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
03777308 (England and Wales)

**Registered Charity number**  
1100021

**Registered office**

Fawke Cottage  
Godden Green  
Sevenoaks  
Kent  
TN15 0JU

**Trustees**

Chairman - Ms J S Berry  
Vice Chairman - K R Rush (Vice Chairman from 20.11.24)  
Dr S Bailey  
R Burgess – resigned 07.10.25  
P Cheveley – resigned 07.10.25  
A Durnell  
Mrs T L Hornshaw  
C Jones  
E Oatley (Vice Chairman to 20.11.24)  
Mrs A M Stuart

**Company Secretary**

A Hodgkin

**Auditors**

Azets Audit Services  
River House  
1 Maidstone Road  
Sidcup  
Kent  
DA14 5RH

**Solicitors**

Thackray Williams  
Kings House  
32-40 Widmore Road  
Bromley  
Kent  
BR1 1RY

**Bankers**

Handelsbanken  
Sevenoaks Branch  
1st Floor  
50-52 London Road  
Bligh's Meadow  
Sevenoaks  
Kent  
TN13 1AS

**Senior Leadership Team**

Headmaster - Luke Harrison  
Bursar - Andrew Hodgkin  
Acting Deputy Head and Head of Pre-Prep - Helen Cook  
Assistant Head - key stage 3/Director of Admissions - Clare Harrison  
Assistant Head - key stage 2 - Robin Collings  
Assistant Head - key stage 1 - Shannon Wake  
Head of Early Years - Louisa Rowland

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2025**

**STATEMENT OF GOVERNORS' RESPONSIBILITIES**

The governors (who are also the directors of Sevenoaks Preparatory School Limited 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) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the governors to prepare financial statements for each financial year. Under that law, the governors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 those 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

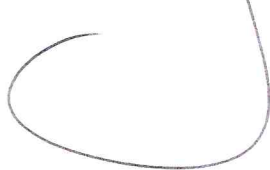
The governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

In so far as the governors are aware:

- there is no relevant audit information of which the charitable 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.

Approved by order of the board of governors on 19th March 2026 and signed on its behalf by:

  
.....  
Ms J S Berry - Governor



## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SEVENOAKS PREPARATORY SCHOOL LIMITED

### Opinion

We have audited the financial statements of Sevenoaks Preparatory School Limited (the 'charitable company') for the year ended 31 August 2025 which comprise 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2025 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' 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 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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Report has 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.

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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the governors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the governors' Report.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SEVENOAKS PREPARATORY SCHOOL LIMITED**

**Responsibilities of governors**

As explained more fully in the Statement of Governors' Responsibilities, 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 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.

**Our 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 a Report of the Independent Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

- o Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- o Reviewing minutes of meetings of those charged with governance;
- o Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- o Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- o Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 Report of the Independent Auditors.

**Use of our report**

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

*Azets Audit Services Limited*

M Wilkes FCA (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services  
River House  
1 Maidstone Road  
Sidcup  
Kent  
DA14 5RH

Date: 25 March 2026

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2025

					2025	2024
	Notes	Unrestricted fund £	Designated Fixed asset fund £	General Bursary fund £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	2	76,555	-	-	3,705	80,260
<b>Charitable activities</b>	5					
Education		5,436,832	-	(47,546)	-	5,389,286
Other trading activities	3	18,666	-	-	-	18,666
Investment income	4	136,650	-	-	1,370	138,020
<b>Total</b>		<u>5,668,703</u>	<u>-</u>	<u>(47,546)</u>	<u>5,075</u>	<u>5,626,232</u>
<b>EXPENDITURE ON</b>						
<b>Raising funds</b>						
Raising donations and legacies	6	56,340	-	-	-	56,340
		56,340	-	-	-	56,340
<b>Charitable activities</b>	7					
Education		5,411,124	889	-	-	5,412,013
Other		336	-	-	-	336
<b>Total</b>		<u>5,467,800</u>	<u>889</u>	<u>-</u>	<u>-</u>	<u>5,468,689</u>
<b>NET INCOME/(EXPENDITURE)</b>		200,903	(889)	(47,546)	5,075	157,543
Transfers between funds	23	62,320	(62,320)	-	-	-
<b>Net movement in funds</b>		263,223	(63,209)	(47,546)	5,075	157,543
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		1,911,817	3,462,344	200,000	63,760	5,637,921
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>2,175,040</u>	<u>3,399,135</u>	<u>152,454</u>	<u>68,835</u>	<u>5,795,464</u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

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

The notes form part of these financial statements

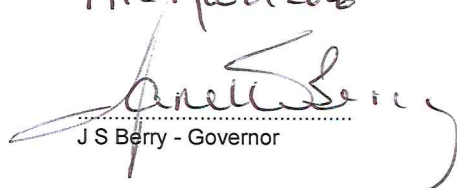
SEVENOAKS PREPARATORY SCHOOL LIMITED

BALANCE SHEET  
31 AUGUST 2025

	Notes	2025 £	2024 £
<b>FIXED ASSETS</b>			
Tangible assets	15	5,949,135	6,162,344
<b>CURRENT ASSETS</b>			
Debtors	16	1,590,326	144,017
Investments	17	2,850,000	2,250,000
Cash at bank		<u>1,645,114</u>	<u>2,817,241</u>
		6,085,440	5,211,258
<b>CREDITORS</b>			
Amounts falling due within one year	18	(5,190,303)	(1,706,312)
<b>NET CURRENT ASSETS</b>		<u>895,137</u>	<u>3,504,946</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		6,844,272	9,667,290
<b>CREDITORS</b>			
Amounts falling due after more than one year	19	(1,048,808)	(4,029,369)
<b>NET ASSETS</b>		<u>5,795,464</u>	<u>5,637,921</u>
<b>FUNDS</b>	23		
Unrestricted funds:			
General fund		2,175,040	1,911,816
Designated fixed asset fund		3,399,135	3,462,345
General bursary fund		<u>152,454</u>	<u>200,000</u>
		<u>5,726,629</u>	<u>5,574,161</u>
Restricted funds		<u>68,835</u>	<u>63,760</u>
<b>TOTAL FUNDS</b>	22	<u>5,795,464</u>	<u>5,637,921</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Governors and authorised for issue on ~~19th March 2026~~ and were signed on its behalf by:

  
J S Berry - Governor

The notes form part of these financial statements

SEVENOAKS PREPARATORY SCHOOL LIMITED

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(281,769)	2,492,699
Interest element of finance lease payments paid		<u>(336)</u>	<u>(543)</u>
Net cash (used in)/provided by operating activities		<u>(282,105)</u>	<u>2,492,156</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(311,240)	(291,316)
Investment in fixed term deposits		(600,000)	(2,050,000)
VAT reclaim on fixed assets		38,274	-
Interest received		<u>138,020</u>	<u>71,737</u>
Net cash used in investing activities		<u>(734,946)</u>	<u>(2,269,579)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		(150,000)	(150,000)
Finance lease repayments		<u>(5,076)</u>	<u>(4,870)</u>
Net cash used in financing activities		<u>(155,076)</u>	<u>(154,870)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
Cash and cash equivalents at the beginning of the reporting period		(1,172,127)	67,707
		<u>2,817,241</u>	<u>2,749,534</u>
<b>Cash and cash equivalents at the end of the reporting period</b>			
		<u>1,645,114</u>	<u>2,817,241</u>

The notes form part of these financial statements

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2025

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2025	2024	
	£	£	
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	157,543	342,234	
<b>Adjustments for:</b>			
Depreciation charges	486,175	441,145	
Interest received	(138,020)	(71,737)	
Interest element of hire purchase and finance lease rental payments	336	543	
Increase in debtors	(1,446,309)	(11,199)	
Increase in creditors	<u>658,506</u>	<u>1,791,713</u>	
<b>Net cash (used in)/provided by operations</b>	<u>(281,769)</u>	<u>2,492,699</u>	
2. ANALYSIS OF CHANGES IN NET FUNDS			
	At 1.9.24	Cash flow	At 31.8.25
	£	£	£
<b>Net cash</b>			
Cash at bank	<u>2,817,241</u>	<u>(1,172,127)</u>	<u>1,645,114</u>
	<u>2,817,241</u>	<u>(1,172,127)</u>	<u>1,645,114</u>
<b>Liquid resources</b>			
Deposits included in cash	-	-	-
Current asset investments	<u>2,250,000</u>	<u>600,000</u>	<u>2,850,000</u>
	<u>2,250,000</u>	<u>600,000</u>	<u>2,850,000</u>
<b>Debt</b>			
Finance leases	(10,368)	5,076	(5,292)
Debts falling due within 1 year	(150,000)	(2,400,000)	(2,550,000)
Debts falling due after 1 year	<u>(2,550,000)</u>	<u>2,550,000</u>	<u>-</u>
	<u>(2,710,368)</u>	<u>155,076</u>	<u>(2,555,292)</u>
<b>Total</b>	<u>2,356,873</u>	<u>(417,051)</u>	<u>1,939,822</u>

The notes form part of these financial statements

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Sevenoaks Preparatory School Limited is governed under its Memorandum and Articles of Association. The address of the principal office is given in the information on page 7 of these financial statements. The nature of the School's operations and principal activities are set out on pages 1 to 4.

The School constitutes a public benefit entity as defined by FRS 102. 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 & Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **Useful economic lives of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 15 for the carrying amount of the property plant and equipment, and note 1 for the useful economic lives for each class of assets.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

School fee income is accounted for on a receivable basis and consists of charges billed for the school year ended 31 August, less bursaries and allowances. No value added tax is chargeable on the fees rendered to 31/12/24. From 01/01/25, in line with government legislation changes, value added tax is chargeable on fee income. Fees received in advance for education to be provided in future years are carried forward as deferred income.

Donations are accounted for once the school has entitlement to the gift, it is probable that the income will be received, and the amount can be measured reliably.

Investment income is accounted when it is receivable, and the amount can be measured reliably.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2025

#### 1. ACCOUNTING POLICIES - continued

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

The irrecoverable element of value added tax is included with the related expense up to 31/12/24. From 01/01/25, value added tax is recovered where applicable and expenses reflect the cost excluding value added tax.

Administration costs are allocated to the cost of raising funds and charitable activities on the basis of an appropriate apportionment of resources and activities.

Governance costs have been allocated in line with administration costs and include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

##### **Funds**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the governors.

Designated funds relate to the net book value of fixed assets held by the school less the outstanding loans held.

Restricted funds can only be used for particular purposes within the objects of the school. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all fixed assets at rates calculated to write off their cost, less estimated residual value, over their expected useful lives by equal annual instalments as follows:

Capitalised finance lease for classrooms - 10% on cost  
Improvements to leasehold property - 4 to 10% on cost  
Fixtures and fittings - 25% on cost and 20% on cost  
Motor vehicles - 15% on cost

It is the school's policy to capitalise all items of a capital nature over £500.

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

Impairment reviews are carried out if events of changes in circumstances indicate that the carrying value of an asset may not be recoverable. When an impairment review is necessary the carrying amount of an asset is compared with the higher of its net realisable value and value in use and any permanent diminution in value is written off to the Statement of Financial Activities.

##### **Taxation**

The charity is exempt within the meaning on schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in paragraph 1 schedule 6 to the Finance Act 2020 and therefore meets the definition of a charitable company for UK tax purposes.

##### **Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2025

1. ACCOUNTING POLICIES - continued

**Donations of goods, services and facilities**

Donated goods, professional services and facilities are recognised as income when the school has control over the item or has received the service, any conditions associated with the donation have been met, the receipt of the economic benefit from the use of an item by the school is probable, and that economic benefit can be measured reliably.

On receipt, donated goods, professional services and facilities are recognised on the basis of the value of the gift to the school which is the amount the school would have been willing to pay to obtain the goods, services or facilities on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. Goods donated for on-going use by the school in carrying out its day to day activities are recognised as tangible fixed assets.

**Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Current asset investments**

Current asset investments include long-term liquid investments with maturity of three months or more are initially stated at transaction value and subsequently measured at their settlement value.

**Creditors and provisions**

Creditors and provisions are recognised when 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.

**Financial instruments**

The school only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

Many of the teaching staff are members of the Teachers' Pension Scheme (TPS), a defined benefit scheme administered by the Teachers' Pension Agency. The Teachers' Pension Scheme is a multi-employer pension scheme which is unfunded. Actuarial valuations are carried out on a notional set of investments.

The school is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, under FRS102, the scheme is accounted for as if it were a defined contributions scheme. The school's contributions, which are in accordance with the recommendations of the Government Actuary, are charged to the Statement of Financial Activities in the period in which the salaries to which they relate are payable.

The school also contributes to personal pension schemes for other teachers and non-teaching staff. These schemes are defined contribution schemes. The assets of the schemes are held separately from those of the school in independently administered funds. Contributions payable for the year are charged to the Statement of Financial Activities. The school has no other liabilities under these schemes.

**Employee benefits**

Short term employee benefits including holiday pay are recognised in the Statement of Financial Activities in the period in which the service is rendered. Termination benefits are accounted for on an accrual basis and in accordance with FRS102.

**Public benefit**

The school is a Public Benefit Entity

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2025

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
Donations and income from fund raising	<u>76,555</u>	<u>3,705</u>	<u>80,260</u>	<u>40,612</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
External hire	<u>18,666</u>	<u>-</u>	<u>18,666</u>	<u>5,381</u>

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
Deposit interest	<u>136,650</u>	<u>1,370</u>	<u>138,020</u>	<u>71,737</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2025 £	2024 £
School fees	5,519,504	5,660,241
Registration fees	5,137	4,425
Bursaries and staff discounts	(140,208)	(129,880)
School shop	<u>4,853</u>	<u>7,040</u>
	<u>5,389,286</u>	<u>5,541,826</u>

6. RAISING DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
Fundraising costs	<u>56,340</u>	<u>-</u>	<u>56,340</u>	<u>31,154</u>

7. CHARITABLE ACTIVITIES COSTS

	2025 Support costs (see note 8) £
Education	<u>5,412,013</u>

8. SUPPORT COSTS

	Teaching costs £	Welfare costs £	Support costs £	2025 Total £
Education	<u>3,006,839</u>	<u>368,717</u>	<u>2,036,457</u>	<u>5,412,013</u>

Welfare costs

	2025 £	2024 £
Contracted catering staff	204,019	205,529
Cost of meals	<u>164,698</u>	<u>180,297</u>
	<u>368,717</u>	<u>385,826</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2025

8. SUPPORT COSTS - continued

Teaching costs

	2025	2024
	£	£
Wages	2,095,947	2,137,767
Social security	208,622	209,209
Pensions	347,771	337,201
Tutors and instructors	17,717	18,436
Training	29,548	15,041
Subscriptions	18,809	7,549
Classroom supplies	278,502	214,919
Staff childcare	9,923	-

Support costs

	2025	2024
	£	£
Wages	413,615	439,780
Social security	46,522	44,027
Pensions	16,352	14,025
Rent and rates	293,602	236,410
Insurance	56,354	53,465
Heat and light	88,916	94,374
Repairs and maintenance	87,024	89,909
Grounds	39,015	40,793
Cleaning	133,510	124,334
Motor & travelling expenses	54,231	43,507
Depreciation of tangible fixed assets	478,200	441,145
Hire of equipment	24,584	31,451
Bad debts	20,000	10,000
Telephone	8,556	7,022
Advertising & marketing	33,534	32,509
Headmasters entertainment	3,573	1,588
Sundry expenses	12,435	3,548
Postage and stationery	18,501	24,463
Legal & professional fees	52,728	78,656
Governors' expenses	3,790	505
Auditors' remuneration	18,980	11,640
Accountancy fees	24,475	22,663
Bank interest and charges	107,960	113,863
	<u>2,036,457</u>	<u>1,959,677</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation - owned assets	481,711	436,681
Depreciation - assets on hire purchase contracts and finance leases	4,464	4,464
Hire of plant and machinery	24,584	31,451
Other operating leases	<u>293,602</u>	<u>246,410</u>

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2025**

**10. AUDITORS' REMUNERATION**

Auditors' remuneration for the year totalled £11,250 (2024: £11,640) for audit services. Charges for additional services provided amounted to £1,550.

**11. GOVERNORS' REMUNERATION AND BENEFITS**

None of the governors (or any persons connected with them) received any remuneration or other benefits from any employment with the school during the current or previous year.

No amounts were due to or from the governors at the balance sheet date (2024: £nil).

**Governors' expenses**

	2025	2024
	£	£
Trustees' expenses	<u>3,790</u>	<u>505</u>

During the financial period, no Governors were reimbursed for expenses. All expenses relate to costs of meetings and training financed by the School.

In 2024, one Governor was reimbursed £285 for training costs and one Governor was reimbursed £210 for a gift. The additional £10 relates to refreshments at a Governors' meeting.

**12. STAFF COSTS**

	2025	2024
	£	£
Wages and salaries	2,509,562	2,577,547
Social security costs	255,144	253,236
Other pension costs	<u>364,123</u>	<u>351,226</u>
	<u>3,128,829</u>	<u>3,182,009</u>

The average monthly number of employees during the year was as follows:

	2025	2024
Employees	<u>81</u>	<u>82</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025	2024
£70,001 - £80,000	-	1
£80,001 - £90,000	1	1
£90,001 - £100,000	<u>2</u>	<u>1</u>
	<u>3</u>	<u>3</u>

Contributions totalling £40,764 (2024: £35,676) were made during the year to pension schemes on behalf of employees whose employee benefits exceed £60,000.

The key management personnel of the school comprise the Headmaster, the Bursar, the acting Deputy Head and Head of Pre-Prep, Assistant Heads and the Head of Early Years. The total employee benefits including pension contributions for the key management personnel were £669,996 (2024: £684,348). In 2024, the Deputy Head and Head Pre-Prep were held by separate employees.

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2025

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Designated fixed asset fund £	Bursary reserve £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	37,082	-	-	3,530	40,612
<b>Charitable activities</b>					
Education	5,541,826	-	-	-	5,541,826
Other trading activities	5,381	-	-	-	5,381
Investment income	70,121	-	-	1,616	71,737
<b>Total</b>	<u>5,654,410</u>	<u>-</u>	<u>-</u>	<u>5,146</u>	<u>5,659,556</u>
<b>EXPENDITURE ON</b>					
<b>Raising funds</b>					
Raising donations and legacies	31,154	-	-	-	31,154
	31,154	-	-	-	31,154
<b>Charitable activities</b>					
Education	5,284,736	889	-	-	5,285,625
Other	543	-	-	-	543
<b>Total</b>	<u>5,316,433</u>	<u>889</u>	<u>-</u>	<u>-</u>	<u>5,317,322</u>
<b>NET</b>					
<b>INCOME/(EXPENDITURE)</b>	337,977	(889)	-	5,146	342,234
Transfers between funds	3,397	(203,397)	200,000	-	-
<b>Net movement in funds</b>	341,374	(204,286)	200,000	5,146	342,234
Total funds brought forward	1,570,443	3,666,630	-	58,614	5,295,687
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>1,911,817</u>	<u>3,462,344</u>	<u>200,000</u>	<u>63,760</u>	<u>5,637,921</u>

14. LEGAL STATUS

The company, which is registered in England & Wales, is limited by guarantee and has no share capital. The liability of the members in the event of a winding up is limited to £10 each per member.

No one party has overall control of the school.

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2025

15. TANGIBLE FIXED ASSETS

	Capitalised finance lease for classrooms £	Improvements to leasehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 September 2024	134,026	9,362,481	1,150,253	71,385	10,718,145
Additions	-	80,718	230,522	-	311,240
VAT adjustment	-	(27,198)	(19,051)	-	(46,249)
At 31 August 2025	<u>134,026</u>	<u>9,416,001</u>	<u>1,361,724</u>	<u>71,385</u>	<u>10,983,136</u>
<b>DEPRECIATION</b>					
At 1 September 2024	134,026	3,375,084	991,674	55,017	4,555,801
Charge for year	-	368,970	112,741	4,464	486,175
VAT adjustment	-	(1,030)	(6,945)	-	(7,975)
At 31 August 2025	<u>134,026</u>	<u>3,743,024</u>	<u>1,097,470</u>	<u>59,481</u>	<u>5,034,001</u>
<b>NET BOOK VALUE</b>					
At 31 August 2025	<u>-</u>	<u>5,672,977</u>	<u>264,254</u>	<u>11,904</u>	<u>5,949,135</u>
At 31 August 2024	<u>-</u>	<u>5,987,397</u>	<u>158,579</u>	<u>16,368</u>	<u>6,162,344</u>

Leasehold property has been pledged as security for a bank loan.

The VAT adjustment relates to VAT partially reclaimed on assets purchased before the VAT registration date and still in use.

Fixed assets, included in the above, which are held under finance leases are as follows:

	Motor vehicles £
<b>COST</b>	
At 1 September 2024 and 31 August 2025	<u>29,760</u>
<b>DEPRECIATION</b>	
At 1 September 2024	13,392
Charge for year	<u>4,464</u>
At 31 August 2025	<u>17,856</u>
<b>NET BOOK VALUE</b>	
At 31 August 2025	<u>11,904</u>
At 31 August 2024	<u>16,368</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade debtors	1,502,621	36,086
Other debtors	166	1,858
Accrued income	15,899	18,106
Prepaid expenses	<u>71,640</u>	<u>87,967</u>
	<u>1,590,326</u>	<u>144,017</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2025

17. CURRENT ASSET INVESTMENTS

	2025	2024
	£	£
Fixed term deposit	<u>2,850,000</u>	<u>2,250,000</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Bank loans and overdrafts (see note 20)	2,550,000	150,000
Finance leases (see note 21)	5,292	5,076
Trade creditors	23,772	56,765
Social security and other taxes	58,871	49,021
VAT	262,886	-
Other creditors	36,901	47,585
Fee deposits	25,725	18,875
Fees received in advance	2,176,056	1,214,839
Accrued expenses	<u>50,800</u>	<u>164,151</u>
	<u>5,190,303</u>	<u>1,706,312</u>

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£	£
Bank loans (see note 20)	-	2,550,000
Finance leases (see note 21)	-	5,292
Long term fee deposits	247,838	234,057
Fees received in advance	<u>800,970</u>	<u>1,240,020</u>
	<u>1,048,808</u>	<u>4,029,369</u>

20. LOANS

An analysis of the maturity of loans is given below:

	2025	2024
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>2,550,000</u>	<u>150,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>-</u>	<u>2,550,000</u>

Interest is charged at a fixed rate of 4.01% and was interest only until 28 June 2022 and which point capital repayments started. The loan is repayable after 5 years and matures on 29 June 2026. The plan is to refinance at that stage.

The bank loan from Handelsbanken has been secured against the land registered with the title number K739282.

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2025**

**21. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Finance leases	
	2025	2024
	£	£
Gross obligations repayable:		
Within one year	5,412	5,412
Between one and five years	-	5,412
	<u>5,412</u>	<u>10,824</u>
Finance charges repayable:		
Within one year	120	336
Between one and five years	-	120
	<u>120</u>	<u>456</u>
Net obligations repayable:		
Within one year	5,292	5,076
Between one and five years	-	5,292
	<u>5,292</u>	<u>10,368</u>
	Non-cancellable operating leases	
	2025	2024
	£	£
Within one year	263,598	258,244
Between one and five years	942,118	947,434
In more than five years	2,388,055	2,590,875
	<u>3,593,771</u>	<u>3,796,553</u>

The School operates from premises subject to a lease that expires in December 2041. The rent is reviewed every five years, the last review was concluded in January 2023. A phased increase in rent was agreed between September 2022 and June 2024, increasing from £183,600 per annum to £211,500 per annum from June 2024.

Included within operating leases is £3,436,875 (2024: £3,648,375) relating to land and building and £101,434 (2024: £148,177) relating to other commitments.

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

	Unrestricted fund	Designated fixed asset fund	General Bursary fund
	£	£	£
Fixed assets	-	5,949,135	-
Current assets	5,864,151	-	152,454
Current liabilities	(2,640,303)	(2,550,000)	-
Long term liabilities	(1,048,808)	-	-
	<u>2,175,040</u>	<u>3,399,135</u>	<u>152,454</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2025

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS - continued

	Restricted fund £	2025 Total funds £	2024 Total funds £
Fixed assets	-	5,949,135	6,162,344
Current assets	68,835	6,085,440	5,211,258
Current liabilities	-	(5,190,303)	(1,706,312)
Long term liabilities	-	(1,048,808)	(4,029,369)
	<u>68,835</u>	<u>5,795,464</u>	<u>5,637,921</u>

23. MOVEMENT IN FUNDS

	At 1.9.24 £	Net movement in funds £	Transfers between funds £	At 31.8.25 £
<b>Unrestricted funds</b>				
General fund	1,911,817	200,903	62,320	2,175,040
Designated fixed asset fund	3,462,344	(889)	(62,320)	3,399,135
General bursary fund	<u>200,000</u>	<u>(47,546)</u>	<u>-</u>	<u>152,454</u>
	5,574,161	152,468	-	5,726,629
<b>Restricted funds</b>				
Restricted Fund	<u>63,760</u>	<u>5,075</u>	<u>-</u>	<u>68,835</u>
<b>TOTAL FUNDS</b>	<u>5,637,921</u>	<u>157,543</u>	<u>-</u>	<u>5,795,464</u>

Net movement in funds, included in the above are as follows:

	Income £	Expenditure £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	5,668,703	(5,467,800)	200,903
Designated fixed asset fund	-	(889)	(889)
General bursary fund	<u>(47,546)</u>	<u>-</u>	<u>(47,546)</u>
	5,621,157	(5,468,689)	152,468
<b>Restricted funds</b>			
Restricted Fund	<u>5,075</u>	<u>-</u>	<u>5,075</u>
<b>TOTAL FUNDS</b>	<u>5,626,232</u>	<u>(5,468,689)</u>	<u>157,543</u>

Comparatives for movement in funds

	At 1.9.23 £	Net movement in funds £	Transfers between funds £	At 31.8.24 £
<b>Unrestricted funds</b>				
General fund	1,570,444	337,976	3,397	1,911,817
Designated fixed asset fund	3,666,629	(888)	(203,397)	3,462,344
General bursary fund	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>200,000</u>
	5,237,073	337,088	-	5,574,161
<b>Restricted funds</b>				
Restricted Fund	<u>58,614</u>	<u>5,146</u>	<u>-</u>	<u>63,760</u>
<b>TOTAL FUNDS</b>	<u>5,295,687</u>	<u>342,234</u>	<u>-</u>	<u>5,637,921</u>

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2025

#### 23. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Income £	Expenditure £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	5,654,410	(5,316,434)	337,976
Designated fixed asset fund	-	(888)	(888)
General bursary fund	-	-	-
	<u>5,654,410</u>	<u>(5,317,322)</u>	<u>337,088</u>
<b>Restricted funds</b>			
Restricted Fund	5,146	-	5,146
	<u>5,146</u>	<u>-</u>	<u>5,146</u>
<b>TOTAL FUNDS</b>	<u>5,659,556</u>	<u>(5,317,322)</u>	<u>342,234</u>

The restricted funds are held as part of the company's bank balance. The bursary fund represents a donation towards a specific bursary in exceptional and emergency situations. A separate bursary committee has been established to oversee this fund. The fund aims to support families who may succumb to unforeseen disasters such as sudden bereavement, divorce, redundancy or the collapse of a family business and will provide assistance in paying school fees.

The designated fixed asset fund equates to the net book value of the fixed assets of the school less the outstanding amount of bank loan.

The general bursary fund was created from a transfer from the general fund in the year ended 31 August 2024. This reserve was created to provide means-tested financial support to parents particularly affected by the imposition of VAT.

#### 24. OTHER FINANCIAL COMMITMENTS

##### PENSION COMMITMENTS

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 £250,971 (2024: £226,769) and at the year-end £27,564 (2024: £27,311) 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, which was published in October 2023, confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

##### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 23 October 2023. The key elements of the valuation and subsequent consultation are:

- o employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2025

#### 24. OTHER FINANCIAL COMMITMENTS - continued

o total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

o the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, assumed real rate of return is 1.7% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

This valuation result was implemented from 1 April 2024.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Charity has accounted for its contributions to the scheme as if it were a defined contribution scheme.

#### Government pension scheme

The Charity pays pension contributions to into defined contribution pension schemes for those employees who do not participate in the TPS. The amount recognised as an expense in the year was £113,152 (2024: £124,457). The amount owed to the pension schemes at the year end was £5,982 (2024: £20,274).

#### 25. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2025.

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

England & Wales - Charity number 1100021

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# Accounts

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REGISTERED COMPANY NUMBER: 03777308 (England and Wales)  
REGISTERED CHARITY NUMBER: 1100021

GOVERNORS' REPORT AND  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024  
FOR  
SEVENOAKS PREPARATORY SCHOOL LIMITED

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

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FOR THE YEAR ENDED 31 AUGUST 2024**

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## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

The governors who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2024. The governors have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

#### OBJECTIVES AND ACTIVITIES

##### Objectives and aims

The School seeks to provide an education for life. It aims to achieve this through the 'Way of Life', together with an academic approach that focuses on the needs of the individual. In addition, the School sets out to encourage every pupil to be the best they can be, both inside and outside the classroom. The School's ethos is central to its aims and emphasizes strong pastoral care of pupils, nurturing each one and supporting parents and children alike.

Our aims are:

- to ensure the safeguarding of all pupils.
- to afford all pupils opportunities to succeed both inside and outside the classroom.
- to recruit and retain the highest calibre of teaching and support staff who embody our Way of Life.
- to provide excellent pastoral care and nurture outstanding relationships between staff, pupils and parents.
- to be a warm, friendly, family school.
- to provide individualised learning which we believe is best provided for in small class sizes.
- to utilise technology to aid student learning and to ensure that our ICT provision complements existing and future teaching strategies
- to progress the School's commitment to bursaries.
- to develop the School's involvement with local, national and international charities.
- to maintain and enhance the school's environment and facilities.
- to maintain a balanced budget approach to managing its financial resources and expenditures.

Sevenoaks Prep "Way of Life"

- I ought to think at all times how my every action will affect others in my life: parents, friends, relations, teachers and everyone younger than myself.
- I ought to treat all others as I would want to be treated myself, and take a personal interest in how other people feel.
- I ought not to touch anything that is not mine, unless with permission or unless I am being helpful.
- I ought to be polite to everybody at all times and be positive in my actions.
- I ought to take responsibility for my own maturity by ensuring I assist in the smooth running of the school and my home.
- I ought to take ownership of my studies, concentrating and applying myself to achieve to the best of my ability.
- I ought to obey in the right spirit the instructions of my teachers and parents.
- I ought to report immediately any damage or unfortunate behaviour to my teachers and/or my parents.
- I ought to remember that in life my aim should be to solve problems not cause them, to build bridges rather than knock them down, to trust others and to be trusted, to put the needs of others first and mine last, to improve and make better whatever or whoever I am involved with.
- I ought, at all times, to be totally honest to myself and to others.

#### CHARITABLE OBJECTS

The objects of the School as set out in the Articles of Association, are to establish and carry on in Great Britain (and any other countries) Schools at or by means of which students may obtain education and instructions in languages, mathematics, geography and history, and all other subjects whatsoever that may be included in a commercial, technical, scientific, classical or academic education.

In setting the objectives the governors have given careful consideration to the Charity Commissions' general guidance on public benefit.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

#### OBJECTIVES AND ACTIVITIES

##### Significant activities

Sevenoaks Prep continues to develop its broad and challenging curriculum to equip children with the knowledge, skills and experience needed for tomorrow. Our location, in 25 acres of well-managed playing fields and woodland, provides not only a vast playground but also the opportunity to extend the classroom and deliver hands-on learning indoors and out in the open.

We are focussed on improving the mental health and wellbeing of all our pupils and staff. A wellbeing team has been created and mental health prefects appointed to actively support the emotional wellbeing and mental health of the whole school.

##### Arts

Music continues to be a vibrant part of life in the School. In the Pre-Prep there are weekly singing assemblies, music lessons, particularly piano and violin, remain hugely popular, with a record number of children participating this year. The Year 2 Recorder Club performed at the Christmas and summer shows and The Pre-Prep Choir, for Years 1 and 2, regularly performs at school events. The music department for The Prep side has had an exciting year, celebrating music in all its forms. Highlights included the annual house music competition, the senior music concert, Christmas concert, Christmas carol service and Prep Idol (our annual battle of the bands). We have participated in events such as King's Rochester Orchestra Day, the IAPS Festival of Singing at Benenden, Strings Day at Walthamstow Hall and our choir attended the Young Voices concert at the O2 and performed in a choir with thousands of children.

Our Pre-Prep Nativity and Summer Shows beautifully showcase the children's growth, creativity and courage. From heartwarming moments in the Nativity to the vibrant energy of the Summer performances, each production highlights their developing confidence and teamwork. Year 3 and Year 4 proudly showcased their singing and acting skills in their end of year shows. Our middle school production was Peter Pan Jr. and Years 5&6 gave an enchanting performance bringing warmth, humour to this magical journey to Neverland. Years 7&8 delivered a confident and captivating performance of Frankenstein, with standout acting and an atmospheric set that kept the audience spellbound and then at the end of the year took the lead in directing and producing their own plays for their house drama productions.

The art department at the Prep has buzzed with activity with children from Reception all the way up to Year 8 coming to unleash their creativity on a weekly basis! The Pre-Prep children have created pieces inspired by the books they are reading, such as the 'Mixed up Chameleon' or inspired by their History topics like the Great Fire of London. They have been mastering basic skills as well as having the opportunity to experiment with new and messy materials. Year 3 have dazzled with wet felted landscapes and collage birds. Year 4 created some outstanding graphic drawing and mixed media hybrid creatures. Year 5 blew us away with their architectural model of the Temple of Heaven (from Beijing) and some beautiful watercolour waterworlds too. Year 6 served up a delight with the Great British Fake Off, showing they will all make fantastic prop makers! As well as some excellent bug hotels. Year 7 completed enthusiastically their Pop Art acrylic animal paintings and made some great jelly prints too. And last, but not least, Year 8 put on a wonderful Sci Fi exhibition of the production of 'Frankenstein' and tackled the topic of surrealism with flair!

##### Sports

###### Football

This year we played with a mixed ability senior team, which was a huge success in terms of enjoyment and results. Playing against the majority of the 1st teams of other schools they almost finished the session unbeaten, agonisingly conceding two goals in the last 5 minutes of the last game to lose their unbeaten record.

The Colts A football team had a very successful season, a highlight was winning the Sevenoaks School Futsal tournament, where they won every match. The Colts B Team also had an excellent year of football, they started the year by reaching the final of the annual Hilden Grange Tournament and then, of their remaining 7 matches, they only lost one, and drew one, winning the other five. The Colts C team had a good season, losing only once - in this game they by one goal and the opposition goalkeeper was player of the match after making save after save, on another day that game would have been won. The D team had mixed success this year but there was definite improvement, the early tournament at Yardley Court where the team narrowly missed out on reaching the final. The Colts E team had a spirited but tough season, a real highlight was reaching the finals of a tournament held at Somerhill School, beating one of the favourites in extra time.

The U8 A and B teams had a fantastic start to their football fixtures at The Prep with the A team winning most of their fixtures and the B team finishing their season undefeated. The U9 A team had a successful and enjoyable season and the B team were unbeaten across all their fixtures. The U9 C team had a positive season with all the players working very hard for themselves and each other and scoring some fantastic goals.

###### Cross Country

In what proved to be a frustrating cross-country season, with a number of events cancelled, including our Thomas Trophy (twice), the competitions that were able to go ahead meant the runners faced some very challenging courses. As a result of the girls' national hockey success we only took boys to this year's Brenchley Relays and Knole Run.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

#### OBJECTIVES AND ACTIVITIES

##### Brenchley Relays

The Prep boys teams finished 9th and 11th, with Prep pupils finishing with 2nd fastest time and 4th fastest time in their age groups.

##### Knole Run

Five Prep Pupils took on the demanding and challenging course, which was not helped by the recent weather conditions, and all of them performed really well.

##### Bracken Cup, Somerhill

We took 46 pupils from Years 3 to 8 to the annual Somerhill regional cross-country event which is known for its challenging course and strong field. In the team results our U9 Boys team and U13 Girls team each placed 3rd overall and our U11 boys team placed 2nd with impressive individual performances; an U11 Prep boy placed 2nd and an U9 Prep girl placed 3rd in their respective races.

##### Goodman and Hutchings Cross Country

This is a cross country relay race with each team consisting of six runners from U9, U11 and U13 categories. Our A team came 5th and our B team came 10th out of the 15 teams with a Y4 girl and a Y8 girl both finishing second in their respective categories.

##### Rugby

The U8 A and B teams had fantastic seasons with both teams winning all their games and quite comfortably as well, they trained hard over the season and improved week on week. The U9 A team had a brilliant season of rugby where they not only developed individually but also as a team, winning their last 3 games against some of their toughest opponents. The U9 B team had an excellent season, improving their performances every week.

The U10 teams had a term of mixed success but effort levels were high and their attitude was always positive. The U11A team had a fantastic season where they grew as a cohesive team, who played quality flowing rugby. They were unbeaten and they were also double champions at the Solefield 7s and the Oldroyd 7s. The 16 senior boys had another strong season of rugby; results were positive with 4 wins and 3 defeats two of which were very close against schools with far bigger numbers. Their season finished with The Culley Cup which was a huge success; Sevenoaks School were named the best team and The Prep finished with 2 wins and 2 defeats.

##### Cricket

The Year 3s really enjoyed their first cricket season, they developed a fantastic team cohesion especially when fielding and it was great to see everybody's understanding of the game developing so well. The Year 4s had a great term, taking part in lots of entertaining and close matches; the A team finished off the season finishing in second place at the St Michael's tournament, playing some excellent cricket in the process.

This year the Colts were given a choice at the start of the season as to whether they would prefer to play hard or soft ball cricket and, with an even split, we had 4 hard ball teams and 4 softball teams. The teams had an enjoyable year of cricket and it was really pleasing to see players moving up through the teams due to their improvement and strong performances. The Colts E team have had an excellent season and finished undefeated!

Despite the weather limiting the number of matches, The Senior 1st team dominated most of the games they played this year. Starting with an impressive win against Sevenoaks School more success followed against St Michael's and then Radnor House. The second team and third teams demonstrated good progress over the season, improving in most areas but particularly bowling and fielding.

##### Hockey

This year was one of the most successful hockey seasons The Prep has had; to have a team at U11 and U13 both reach the National Championships in the same year is a wonderful achievement and a great accolade for the School.

In Years 3 and 4 we play lots of mini matches of 4v4 or 5v5 against other schools and when girls get into Years 5 and 6 they combine to form Colts teams.

Our Colts A team had a brilliant season. Highlights were coming 2nd in The Regionals meaning they qualified for The Nationals which took place at Millfield School with The Prep finishing in 13th place. They also came second at the In2hockey tournament representing Kent at the next stage of the tournament. Our other Colts teams had a good season with players working hard in training to develop their skills with some fantastic wins and goals scored.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

#### OBJECTIVES AND ACTIVITIES

Our U13 team had a simply outstanding season. They finished in second place at the U13 IAPS at Canterbury meaning they qualified for The Nationals at Haileybury school, later that year, where they finished joint 5th in the country which is an amazing achievement. They also won the U13 In2hockey tournament becoming Kent U13 champions and went on to take part in the U13 In2Hockey Southeast area finals which the Prep hosted at Hollybush. They played some superb hockey winning their first four games but sadly lost one game 1-0 meaning they missed out on coming first and a place in The Nationals by one point.

#### Netball

The netball season kicked off a week before the Christmas holidays and this year we decided to keep play in Year 3 and 4 to the conventional seven-a-side rather than focus on the five-a-side Bee netball rules which we had done in previous years. We were delighted to welcome back netball specialists from Mayfield School who ran Masterclass skills sessions for our pupils to help improve their skills. Over the course of the term every year group had the opportunity to play in tournaments and played in matches most weeks. Our netball across the year groups got better and better with some brilliant individual and team performances. Our U13 teams performed well at the U13 Versatility Tournament at Hazelwood School with the B Team placing 3rd in their competition. The U9 A team qualified for the semi final at the St Michael's U9 netball tournament where they just missed out on going through to the final after a penalty shoot out after extra time.

#### Athletics

The athletics season began with Mrs Baker, Miss MacNeil and Mr Bailey attending a beneficial coaching course run by former GB Decathlete Dean Marcey. We were also delighted to be joined by coaches from Sevenoaks Athletics Club this year, who thoroughly enjoyed sharing their expertise with our pupils attending Athletics Club.

We had a successful athletics meeting at St Michael's Prep where pupils competed from Years 3-8 which The Prep won. We took 26 athletes to the district athletics competition where pupils competed against other prep schools in the country. All athletes performed exceptionally well, with the majority achieving personal bests and three of our athletes qualifying for The Nationals, representing Kent, and one coming home with a silver medal for shotput.

Our athletic afternoons took place during the first week of June where the children competed in selected events in their year groups, before coming together as a whole school for Sports and Speech Day, on Saturday 22nd June.

#### Trips and Workshops

We have been able to schedule many more trips and workshops for the children over the year, some of which are listed below:

- Hastings
- The British Museum
- Horton Kirkby Environmental Centre
- Bushcraft
- Knole House
- Rare Breeds Farm
- Ski Trip
- RHS Wisley
- Leeds Castle
- Kent Life Museum
- Wantage
- Harry Potter World
- PGL residential
- Carroty Wood
- Boulogne

The children's learning is also supported during the year by putting on and attending a wide range of workshops, such as STEAM day with this year's theme being "water", World Book Day, author visits, Lecture Series, the yearly Scholastic Book Fair, Maths Day, Diwali and dance workshops, visiting performances of pantomimes, specialist netball tuition, and the ever popular Duck Watch of hatching ducklings.

Our regular school events that involve our community of children, parents and staff includes the Quiz Night, Golf Day, Cricket Day, Prep Idol, Burns Night, Grandparents Day, Maypole Dancing, Kindergarten Grand Prix, Family Day, Wreath Making, Carol Concert and Christmas Bazaar.

The school encourages a more environmental approach wherever it can, and this year has been building on the Eco School status with more work being done by the children on our Eco Committee to reduce our impact on the environment.

Alongside this, the whole school has benefitted from outdoor learning and use of our outdoor "forest" classrooms and natural areas in our lovely grounds. We have highly qualified specialist staff running these sessions which support children's independence and love of nature as well as teaching them new skills.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

#### OBJECTIVES AND ACTIVITIES

##### Public benefit

Our continuing involvement as a school with local, national and international charities supports the work we do in making children aware of the wider environment and to raise funds for those in need. During the school year we have collected food bank donations for Sevenoaks Larder, and the Spring Ball organised by the parents raised a large amount of money for Friends for Families, which is a local charity supporting the work of social workers with deprived families.

We have several staff who are Governors at other local schools and donate their time and skills, and nationally we raised funds for the Salvation Army, Macmillan Cancer, and the Poppy Appeal. Internationally we also supported the Haller Community charity in Kenya and We See Hope in Kenya, Malawi, Tanzania, Uganda and Zimbabwe from various initiatives that the children themselves set up and ran.

During each school holiday we host a variety of clubs and activities run by external providers to offer fun and challenging experiences and in holiday childcare. Our facilities are used for this and they are available to all working families whether they attend our school or not.

##### Scholarships (Years 6 and 8)

The following scholarships were awarded to our pupils;

- 9 Sports Scholarships
- 3 Academic Scholarships
- 1 Geography Award
- 1 Critical Thinking Award
- 1 Drama Scholarship
- 1 Innovation Scholarship

##### Destination Schools

Pupils gained places at their chosen 11+ / 13+ senior independent schools and many were awarded places at two or more schools. This ranged across 12 different independent schools and 3 grammar schools.

#### FINANCIAL REVIEW

##### Financial position

The income of the School arises from fees and donations received and interest earned on short term deposits with the bank.

The charitable expenditure is all met from this income. The governors consider the assets and the operation of the School are sufficient in the short term to maintain its obligations in full.

The total income during the year ended 31 August 2024 was £5,659,556 (2023 restated: £5,703,348) and the expenditure was £5,317,322 (2023: £5,101,204) which resulted in a surplus for the year of £342,234 compared to a surplus of £602,144 generated in the previous year. All of the School's expenditure was spent in advancement of its charitable objectives.

##### Investment policy and objectives

The governors investment powers are governed by the Memorandum and Articles of Association which permit the governors to make any investments they deem fit. Most of the funds generated by the School are used in the short term in achieving the charitable aims and objectives. There are no funds available for external long term investments. Short term surplus funds are held on deposit with the bank.

##### Reserves policy

The governors' have a policy of achieving an operational surplus to continue to invest in maintaining educational facilities that meet and exceed the current recommendations and standards.

It is the School's policy to hold unrestricted cash reserves equal to at least three months budgeted expenditure, which equates to between £1.3m and £1.4m (2023: £1.1m and £1.25m).

The School holds restricted funds of £63,760 (2023: £58,614) which have been donated for the funding of bursaries in exceptional or emergency situations, for example in the case of death or incapacity of a parent. Unrestricted funds of £5,574,161 (2023 restated: £5,237,073) allow the school to carry out its charitable objectives and include a newly created designated general reserve of £200,000 to provide means-tested financial support to parents particularly affected by the imposition of VAT. The total funds held were £5,637,921 (2023 restated: £5,295,687).

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

#### FUTURE PLANS

Given the uncertain economic situation the school does not have any immediate plans for capital development. However, planned repairs and improvements to the car park were carried out in the summer holidays and upgrading of the Sports Hall will take place in the new year to ensure that we make the best use of the buildings and grounds and continue to provide high quality

#### REPORTABLE INCIDENTS

There have been no reportable incidents, one stage two complaint and one stage three complaint during the year.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### Appointment and re-appointment of governors

The Articles of Association allow for there to be between seven and twenty appointed governors. There are currently 12 on the Board. Governors are appointed by the existing Board members in the first instance and they are re appointed for 3 years and can serve up to a maximum of 3 terms of 3 years unless there are extenuating circumstances.

##### Organisational structure

None of the governors has any beneficial interest in the company. All the governors are members of the company and guarantee to contribute £10 in the event of a winding up

The Board of Governors met at least once per term on 1 September 2023, 15 September 2023, 11 October 2023, 20 November 2023, 15 January 2024, 21 March 2024 and 14 June 2024.

The main Sub Committee of the governors is the Executive Committee which meets once a month to discuss the day to day matters concerned with the running of the School. Major items are passed to the Main Board for discussion, with the Executive Committee's recommendations. The Chairman and Vice Chairman sit on this Committee with the Headmaster, Bursar, Deputy Head and Head of Pre-Prep in attendance.

The other permanent Sub Committees are as follows:

Academic Committee	C Jones	Chair
Finance and Risk Committee	J Berry	Chair
Bursary Committee	K Rush	Chair
Estates and Facilities Committee	A Durnell	Chair
Safeguarding and Wellbeing Committee	T Hornshaw	Chair

The Governors bring many years of experience in a wide variety of professional fields, such as finance, education and medicine. The "day-to-day" running of the School is delegated to the Headmaster Luke Harrison and the Bursar, Andrew Hodgkin. They work in cooperation with the Senior Management Team, who are the Deputy Head, Head of Pre-Prep, Assistant Heads and Head of Early Years.

##### Induction and training of new governors

The school has appointed one new governor during the year, and she has benefited from online training including safeguarding training. The chair of governors attended the Association of Governing Bodies of Independent Schools (AGBIS) conference.

The cost of governors' courses to the School during the year was £285.

##### Key management remuneration

In line with pay for all staff, key management pay is considered by the governors' Finance and Risk Committee who make recommendations to the full board. In deciding the level of remuneration, the committee consider the current market demand for pupils, the financial strength of the School and the economic outlook. The key management roles are detailed in note 12 of the accounts.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

#### STRUCTURE, GOVERNANCE AND MANAGEMENT COMMUNITY LINKS AND PUBLIC BENEFIT

Part of the School's aims is to develop involvement with local, national and international charities. This is an important way of developing children's understanding of wider society. During the school year we have collected food bank donations for Sevenoaks Larder, and the children, parents and staff worked to raise money for local charities such as Friends for Families and by donating Christmas gifts to the Salvation Army. We supported raising money for national charities such as Macmillan Cancer, the Poppy Appeal and the Red Cross Appeal for Ukraine, and Internationally as we raised and donated funds to Phoenix Football Academy in Ghana, the Haller Community charity in Kenya and We See Hope in Kenya, Malawi, Tanzania, Uganda and Zimbabwe.

During each school holiday we host a variety of clubs and activities run by external providers to offer fun and challenging experiences and in holiday childcare to all working families whether they attend our school or not.

#### Engagement with employees

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees has continued at all levels with the aim of taking their views into account when decisions are made that are likely to affect their interests. The staff council continued to be consulted and to contribute suggestions to the executive.

#### Risk management

Sevenoaks Prep School Board of governors is responsible for the management of the risks faced by the School. Risks are identified, assessed and controls established throughout the year. The full Risk register is reviewed annually by the Finance and Risk sub committee of the Board and it is a standing item on their termly agenda.

The governors consider the major potential risks to the School to be:

- A challenging economic environment adversely affecting pupil numbers & fee levels.
- Inflationary pressures on certain costs.
- Competition from both independent and state schools for pupils.
- Ensuring Safeguarding & Inspection in an increasingly regulated environment.
- The introduction of VAT and it's potential impact on pupil numbers.

The key controls used by the School to mitigate risks include:

- Formal agenda for Committee and Board activities.
- Detailed Terms of reference for all Committees.
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational structure and lines of reporting.
- Formal written policies.
- Robust scrutiny of policies.
- Clear authorisation and approval levels.
- Safer recruitment as required by law for the protection of the vulnerable.
- Staff training, Child Protection and safeguarding.
- Data protection measures in place to protect the cyber security of School data including restriction of access authentication, the holding of back-ups and purchase of insurance
- The unknown impact of the proposed imposition of VAT on school fees by future Labour Government.

Through the risk management processes established by the School, the governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that the systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Bursary Policy

This year the Charity awarded bursaries of £47,546 (0.83% of fee income) 2023: £47,546 (0.83% of fee income) from unrestricted funds. The Governors' policy, in line with that of most other independent schools, is to award bursaries on the basis of need. All bursaries are means tested on application. The newly created general reserve of £200,000 is intended to provide means-tested financial support to parents particularly affected by the imposition of VAT

A Bursary fund has been established and is overseen by a subcommittee of 3 governors, the Head and the Bursar. Our aim is to build up a fund which will support a child attend the School. This would be over and above the funds already set aside by the School.

##### Pension schemes

The School participates in the Teachers' Pension Scheme (TPS) for its teaching Staff and an auto enrolment scheme run by People's Pensions for support staff.

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

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The current employer contribution rate for the TPS is 28.6%. Following the completion of a consultation process the governors have limited the contribution as employers to 20.1% from September 2022 and have provided a Total Remuneration Package (TRP) which gives the option to teachers of either remaining in the TPS or joining an alternative defined contribution pension.

For the Support Staff Pension administered by the People's Pension the employer contribution was 3% and the employee rate is 5%.

#### REFERENCE AND ADMINISTRATIVE DETAILS

**Registered Company number**  
03777308 (England and Wales)

**Registered Charity number**  
1100021

##### Registered office

Fawke Cottage  
Godden Green  
Sevenoaks  
Kent  
TN15 0JU

##### Trustees

Chairman - Ms J S Berry  
Vice Chairman - E Oatley (Vice Chairman to 20.11.24)  
Dr S Bailey  
R Burgess  
P Cheveley  
T C Dickinson (resigned 01.08.24)  
A Durtnell  
Mrs T L Hornshaw  
Mrs M L Ismail (resigned 22.12.23)  
C Jones  
K R Rush (Vice Chairman from 20.11.24)  
Mrs A M Stuart

##### Senior Leadership Team

Headmaster - Luke Harrison  
Bursar - Elizabeth Walsh (to April 2024)/ Andrew Hodgkin (from April 2024)  
Deputy Head - James Ashcroft (to June 2024)  
Acting Deputy Head and Head of Pre-Prep - Helen Cook  
Assistant Head - Key Stage 3 - Clare Harrison

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2024**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Senior Leadership Team – continued**

Assistant Head - Key Stage 2 - Robin Collings  
Assistant Head - Key Stage 1 - Shannon Wake  
Head of Early Years - Louisa Rowland

**Company Secretaries**

Miss M Peirce  
E Walsh (resigned 26.04.24)  
A Hodgkin (appointed 10.04.24)

**Auditors**

Azets Audit Services  
River House  
1 Maidstone Road  
Sidcup  
Kent  
DA14 5RH

**Solicitors**

Thackray Williams  
Kings House  
32-40 Widmore Road  
Bromley  
Kent  
BR1 1RY

**Bankers**

Handelsbanken  
Sevenoaks Branch  
1st Floor  
50-52 London Road  
Bligh's Meadow  
Sevenoaks  
Kent  
TN13 1AS

SEVENOAKS PREPARATORY SCHOOL LIMITED

GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2024

**STATEMENT OF GOVERNORS' RESPONSIBILITIES**

The Governors (who are also the directors of Sevenoaks Preparatory School Limited 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) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 charitable company for that period. In preparing those financial statements, the governors are required to

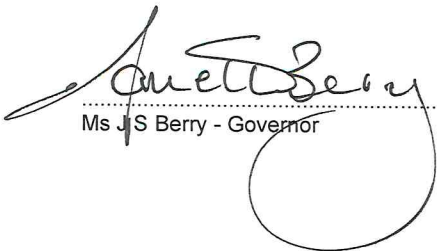
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 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.

In so far as the governors are aware:

- there is no relevant audit information of which the charitable 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.

Approved by order of the Board of Governors on 13th March 2025 and signed on its behalf by:

  
.....  
Ms J S Berry - Governor

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SEVENOAKS PREPARATORY SCHOOL LIMITED

### Opinion

We have audited the financial statements of Sevenoaks Preparatory School Limited (the 'charitable company') for the year ended 31 August 2024 which comprise 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' 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 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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Report has 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.

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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the governors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the governors' Report.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SEVENOAKS PREPARATORY SCHOOL LIMITED

### Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, 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 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.

### Our 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 a Report of the Independent Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

- o Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- o Reviewing minutes of meetings of those charged with governance;
- o Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- o Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- o Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 Report of the Independent Auditors.

### Use of our report

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

*Azets Audit Services Limited*

M Wilkes FCA (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services  
River House  
1 Maidstone Road  
Sidcup  
Kent  
DA14 5RH

Date: 25 March 2025

SEVENOAKS PREPARATORY SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2024

				2024	2023	
		Unrestricted fund	Designated fixed asset fund	Restricted fund	Total funds	Total funds as restated
	Notes	£	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	2	37,082	-	3,530	40,612	89,909
<b>Charitable activities</b>						
Education	5	5,541,826	-	-	5,541,826	5,573,465
Other trading activities	3	5,381	-	-	5,381	6,140
Investment income	4	70,121	-	1,616	71,737	27,599
Other income		-	-	-	-	6,235
<b>Total</b>		<u>5,654,410</u>	<u>-</u>	<u>5,146</u>	<u>5,659,556</u>	<u>5,703,348</u>
<b>EXPENDITURE ON</b>						
<b>Raising funds</b>						
Raising donations and legacies	6	31,154	-	-	31,154	46,663
		31,154	-	-	31,154	46,663
<b>Charitable activities</b>						
Education	7	5,284,736	889	-	5,285,625	5,053,799
Other		543	-	-	543	742
<b>Total</b>		<u>5,316,433</u>	<u>889</u>	<u>-</u>	<u>5,317,322</u>	<u>5,101,204</u>
<b>NET INCOME/(EXPENDITURE)</b>						
Transfers between funds	24	337,977	(889)	5,146	342,234	602,144
		3,397	(3,397)	-	-	-
<b>Net movement in funds</b>		341,374	(4,286)	5,146	342,234	602,144
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		1,570,443	3,666,630	58,614	5,295,687	4,693,543
<b>TOTAL FUNDS CARRIED FORWARD</b>						
		<u>1,911,817</u>	<u>3,662,344</u>	<u>63,760</u>	<u>5,637,921</u>	<u>5,295,687</u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

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

The notes form part of these financial statements

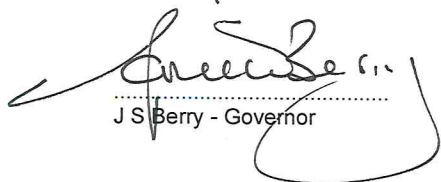
SEVENOAKS PREPARATORY SCHOOL LIMITED

BALANCE SHEET  
31 AUGUST 2024

	Notes	2024 £	2023 as restated £
<b>FIXED ASSETS</b>			
Tangible assets	16	6,162,344	6,312,173
<b>CURRENT ASSETS</b>			
Debtors	17	144,017	132,818
Investments	18	2,250,000	200,000
Cash at bank		<u>2,817,241</u>	<u>3,725,245</u>
		5,211,258	4,058,063
<b>CREDITORS</b>			
Amounts falling due within one year	19	(1,706,312)	(2,121,658)
<b>NET CURRENT ASSETS</b>		<u>3,504,946</u>	<u>1,936,405</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		9,667,290	8,248,578
<b>CREDITORS</b>			
Amounts falling due after more than one year	20	(4,029,369)	(2,952,891)
<b>NET ASSETS</b>		<u>5,637,921</u>	<u>5,295,687</u>
<b>FUNDS</b>	24		
Unrestricted funds:			
General fund		1,911,817	1,570,442
Designated fixed asset fund		<u>3,662,344</u>	<u>3,666,631</u>
		5,574,161	5,237,073
Restricted funds		<u>63,760</u>	<u>58,614</u>
<b>TOTAL FUNDS</b>		<u>5,637,921</u>	<u>5,295,687</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Governors and authorised for issue on 13th March 2025 and were signed on its behalf by:

  
.....  
J S Berry - Governor

The notes form part of these financial statements

SEVENOAKS PREPARATORY SCHOOL LIMITED

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	2023 as restated £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	2,492,699	766,240
Interest element of finance lease payments paid		<u>(543)</u>	<u>(742)</u>
Net cash provided by operating activities		<u>2,492,156</u>	<u>765,498</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(291,316)	(185,716)
Sale of tangible fixed assets		-	9,475
Investment in fixed term deposits		(2,050,000)	(200,000)
Interest received		<u>71,737</u>	<u>27,599</u>
Net cash used in investing activities		<u>(2,269,579)</u>	<u>(348,642)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		(150,000)	(150,000)
Finance lease repayments		<u>(4,870)</u>	<u>(4,670)</u>
Net cash used in financing activities		<u>(154,870)</u>	<u>(154,670)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
Cash and cash equivalents at the beginning of the reporting period	2	<u>2,749,534</u>	<u>2,487,348</u>
Cash and cash equivalents at the end of the reporting period	2	<u>2,817,241</u>	<u>2,749,534</u>

The notes form part of these financial statements

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2024

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023 as restated
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	342,234	602,144
<b>Adjustments for:</b>		
Depreciation charges	441,145	433,143
Profit on disposal of fixed assets	-	(6,235)
Interest received	(71,737)	(27,599)
Interest element of hire purchase and finance lease rental payments	543	742
Increase in debtors	(11,199)	(62,013)
Increase/(decrease) in creditors	<u>1,791,713</u>	<u>(173,942)</u>
<b>Net cash provided by operations</b>	<u><u>2,492,699</u></u>	<u><u>766,240</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.23 £	Cash flow £	At 31.8.24 £
<b>Net cash</b>			
Cash at bank	<u>2,749,534</u>	<u>67,707</u>	<u>2,817,241</u>
	2,749,534	67,707	2,817,241
<b>Liquid resources</b>			
Current asset investments	<u>200,000</u>	<u>2,050,000</u>	<u>2,250,000</u>
	<u>200,000</u>	<u>2,050,000</u>	<u>2,250,000</u>
<b>Debt</b>			
Finance leases	(15,238)	4,870	(10,368)
Debts falling due within 1 year	(150,000)	-	(150,000)
Debts falling due after 1 year	<u>(2,700,000)</u>	<u>150,000</u>	<u>(2,550,000)</u>
	<u>(2,865,238)</u>	<u>154,870</u>	<u>(2,710,368)</u>
<b>Total</b>	<u><u>84,296</u></u>	<u><u>2,272,577</u></u>	<u><u>2,356,873</u></u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Sevenoaks Preparatory School Limited is governed under its Memorandum and Articles of Association. The address of the principal office is given in the information on page 8 of these financial statements. The nature of the School's operations and principal activities are set out on pages 1 to 5.

The School constitutes a public benefit entity as defined by FRS 102. 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 & Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

- Bad debt provision

**Useful economic lives of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment, and note 1 for the useful economic lives for each class of assets.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

School fee income is accounted for on a receivable basis and consists of charges billed for the school year ended 31 August, less bursaries and allowances. No value added tax is chargeable on the fees rendered. Fees received in advance for education to be provided in future years are carried forward as deferred income.

Donations are accounted for once the school has entitlement to the gift, it is probable that the income will be received, and the amount can be measured reliably.

Investment income is accounted when it is receivable, and the amount can be measured reliably.

**Expenditure and irrecoverable value added tax (vat)**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2024

1. ACCOUNTING POLICIES - continued

**Expenditure and irrecoverable value added tax (vat)**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

The irrecoverable element of value added tax is included with the related expense.

Administration costs are allocated to the cost of raising funds and charitable activities on the basis of an appropriate apportionment of resources and activities.

Governance costs have been allocated in line with administration costs and include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

**Funds**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the governors.

Designated funds relate to the net book value of fixed assets held by the school less the outstanding loans held.

Restricted funds can only be used for particular purposes within the objects of the school. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all fixed assets at rates calculated to write off their cost, less estimated residual value, over their expected useful lives by equal annual instalments as follows:

Capitalised finance lease for classrooms - 10% on cost  
Improvements to leasehold property - 4 to 10% on cost  
Fixtures and fittings - 25% on cost and 20% on cost  
Motor vehicles - 15% on cost

It is the school's policy to capitalise all items of a capital nature over £500.

**Impairment of fixed assets**

Impairment reviews are carried out if events of changes in circumstances indicate that the carrying value of an asset may not be recoverable. When an impairment review is necessary the carrying amount of an asset is compared with the higher of its net realisable value and value in use and any permanent diminution in value is written off to the Statement of Financial Activities.

**Taxation**

The charity is exempt within the meaning on schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in paragraph 1 schedule 6 to the Finance Act 2020 and therefore meets the definition of a charitable company for UK tax purposes.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Donations of goods, services and facilities**

Donated goods, professional services and facilities are recognised as income when the school has control over the item or has received the service, any conditions associated with the donation have been met, the receipt of the economic benefit from the use of an item by the school is probable, and that economic benefit can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2024

1. ACCOUNTING POLICIES - continued

**Donations of goods, services and facilities**

On receipt, donated goods, professional services and facilities are recognised on the basis of the value of the gift to the school which is the amount the school would have been willing to pay to obtain the goods, services or facilities on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. Goods donated for on-going use by the school in carrying out its day to day activities are recognised as tangible fixed assets.

**Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Current asset investments**

Current asset investments include long-term liquid investments with maturity of three months or more are initially stated at transaction value and subsequently measured at their settlement value.

**Creditors and provisions**

Creditors and provisions are recognised when 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.

**Financial instruments**

The school only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

Many of the teaching staff are members of the Teachers' Pension Scheme (TPS), a defined benefit scheme administered by the Teachers' Pension Agency. The Teachers' Pension Scheme is a multi-employer pension scheme which is unfunded. Actuarial valuations are carried out on a notional set of investments.

The school is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, under FRS102, the scheme is accounted for as if it were a defined contributions scheme. The school's contributions, which are in accordance with the recommendations of the Government Actuary, are charged to the Statement of Financial Activities in the period in which the salaries to which they relate are payable.

The school also contributes to personal pension schemes for other teachers and non-teaching staff. These schemes are defined contribution schemes. The assets of the schemes are held separately from those of the school in independently administered funds. Contributions payable for the year are charged to the Statement of Financial Activities. The school has no other liabilities under these schemes.

**Employee benefits**

Short term employee benefits including holiday pay are recognised in the Statement of Financial Activities in the period in which the service is rendered. Termination benefits are accounted for on an accrual basis and in accordance with FRS102.

**Prior Year Adjustment**

The financial statements include an adjustment to prior years in respect of a change in accounting estimate for the carrying amount of deposits. This adjustment is explained in note 14.

**Public benefit**

The school is a Public Benefit Entity

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2024

2. DONATIONS

	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
Donations and income from fund raising	37,082	3,530	40,612	88,855
Gift aid	-	-	-	1,054
	<u>37,082</u>	<u>3,530</u>	<u>40,612</u>	<u>89,909</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
External hire	<u>5,381</u>	-	<u>5,381</u>	<u>6,140</u>

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
Deposit account interest	<u>70,121</u>	<u>1,616</u>	<u>71,737</u>	<u>27,599</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023 as restated
	Education	Total activities
	£	£
School fees	5,660,241	5,731,400
Registration fees	4,425	7,775
Bursaries, scholarships and discounts	(129,880)	(169,699)
School shop	<u>7,040</u>	<u>3,989</u>
	<u>5,541,826</u>	<u>5,573,465</u>

6. RAISING DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
Fundraising costs	<u>31,154</u>	-	<u>31,154</u>	<u>46,663</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2024

7. CHARITABLE ACTIVITIES COSTS

Education	Support costs (see note 8) £ <u>5,285,625</u>
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8. SUPPORT COSTS

	Finance costs £	Welfare costs £	Development costs £	Teaching costs £
Education	<u>113,863</u>	<u>385,826</u>	<u>21,115</u>	<u>2,940,122</u>
	Premises costs £	Support costs £	Governance costs £	Totals £
Education	<u>1,209,569</u>	<u>580,322</u>	<u>34,808</u>	<u>5,285,625</u>

Support costs, included in the above, are as follows:

**Finance**

	2024	2023
	£	£
Bank interest and charges	<u>113,863</u>	<u>121,213</u>

**Welfare costs**

	2024	2023
	£	£
Contracted catering staff	205,529	173,487
Cost of meals	<u>180,297</u>	<u>156,437</u>
	<u>385,826</u>	<u>329,924</u>

**Development costs**

	2024	2023
	£	£
Wages	19,172	18,243
Social security	1,390	1,280
Pensions	<u>553</u>	<u>547</u>
	<u>21,115</u>	<u>20,070</u>

**Teaching costs**

	2024	2023
	£	£
Wages	2,137,767	2,070,584
Social security	209,209	202,896
Pensions	337,201	326,918
Tutors and instructors	18,436	28,306
Training	<u>15,041</u>	<u>23,266</u>
Carried forward	2,717,654	2,651,970

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2024

8. SUPPORT COSTS - continued

Teaching costs - continued

	2024	2023
	£	£
Brought forward	2,717,654	2,651,970
Subscriptions	7,549	9,102
Classroom supplies	<u>214,919</u>	<u>167,760</u>
	<u>2,940,122</u>	<u>2,828,832</u>

Premises costs

	2024	2023
	£	£
Wages	75,592	103,311
Social security	7,866	10,638
Pensions	2,174	3,099
Rent and rates	236,410	229,305
Insurance	53,465	48,657
Heat and light	94,374	120,359
Repairs and maintenance	89,909	92,348
Grounds	40,793	47,990
Cleaning	124,334	129,622
Motor & travelling expenses	43,507	30,484
Depreciation of tangible fixed assets	<u>441,145</u>	<u>433,143</u>
	<u>1,209,569</u>	<u>1,248,956</u>

Support costs

	2024	2023
	£	£
Wages	345,016	317,414
Social security	34,771	31,803
Pensions	11,298	9,523
Hire of equipment	31,451	23,223
Bad debts	10,000	-
Telephone	7,022	9,082
Advertising & marketing	32,509	28,816
Headmasters entertainment	1,588	827
Sundry expenses	3,548	2,466
Postage and stationery	24,463	20,684
Legal & professional fees	<u>78,656</u>	<u>31,621</u>
	<u>580,322</u>	<u>475,459</u>

Governance costs

	2024	2023
	2024	2023
	£	£
Governors' expenses	505	954
Auditors' remuneration	11,640	10,125
Accountancy fees	<u>22,663</u>	<u>18,266</u>
	<u>34,808</u>	<u>29,345</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2024

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation - owned assets	436,681	428,678
Depreciation - assets on hire purchase contracts and finance leases	4,464	4,464
Hire of plant and machinery	31,451	23,223
Other operating leases	246,410	229,305
Surplus on disposal of fixed assets	-	(6,235)
	<u>          </u>	<u>          </u>

10. AUDITORS' REMUNERATION

Auditors' remuneration for the year totalled £11,640 (2023: £10,125).

11. GOVERNORS' REMUNERATION AND BENEFITS

None of the governors (or any persons connected with them) received any remuneration or other benefits from any employment with the school during the current or previous year.

No amounts were due to or from the governors at the balance sheet date (2023: £nil).

**Governors' expenses**

	2024	2023
	£	£
Trustees' expenses	<u>505</u>	<u>954</u>

One Governor was reimbursed £285 for training costs and one Governor was reimbursed £210 for a gift. The additional £10 relates to refreshments at a Governors' meeting.

12. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	2,577,547	2,509,552
Social security costs	253,236	246,617
Other pension costs	<u>351,226</u>	<u>340,087</u>
	<u>3,182,009</u>	<u>3,096,256</u>

The average monthly number of employees during the year was as follows:

	2024	2023
		as restated
Employees	<u>82</u>	<u>83</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2024

12. STAFF COSTS - continued

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
£70,001 - £80,000	1	2
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
	<u>3</u>	<u>4</u>

Contributions totalling £35,676 (2023: £48,283) were made during the year to pension schemes on behalf of employees whose employee benefits exceed £60,000.

The key management personnel of the school comprise the Headmaster, the Bursar, the Deputy Head, the Head of Pre-Prep, Assistant Heads and the Head of Early Years. The total employee benefits including pension contributions for the key management personnel were £684,348 (2023: £692,646).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Designated fixed asset fund	Restricted fund	Total funds as restated £
	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	84,909	-	5,000	89,909
<b>Charitable activities</b>				
Education	5,573,465	-	-	5,573,465
Other trading activities	6,140	-	-	6,140
Investment income	26,695	-	904	27,599
Other income	6,235	-	-	6,235
<b>Total</b>	<u>5,697,444</u>	<u>-</u>	<u>5,904</u>	<u>5,703,348</u>
<b>EXPENDITURE ON</b>				
<b>Raising funds</b>				
Raising donations and legacies	46,663	-	-	46,663
	46,663	-	-	46,663
<b>Charitable activities</b>				
Education	5,052,910	889	-	5,053,799
Other	742	-	-	742
<b>Total</b>	<u>5,100,315</u>	<u>889</u>	<u>-</u>	<u>5,101,204</u>
<b>NET INCOME/(EXPENDITURE)</b>	597,129	(889)	5,904	602,144
Transfers between funds	(3,649,590)	3,649,590	-	-
<b>Net movement in funds</b>	(3,052,461)	3,648,701	5,904	602,144
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	4,622,904	17,929	52,710	4,693,543
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>1,570,443</u>	<u>3,666,630</u>	<u>58,614</u>	<u>5,295,687</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2024

14. PRIOR YEAR ADJUSTMENT

Historical deposits were reconciled during the year and adjustments were made to prior years for deposits retained as income. An adjustment amounting to £3,317 was recognised as income in the year ended 31 August 2023 and the figures for this period are shown as restated. An adjustment amounting to £63,700 was recognised as income for the year ended 31 August 2022 and prior years and this is shown as an adjustment to the profit and loss reserve brought forward at 1 September 2022.

	£
Total funds as at 31 August 2023	5,228,670
Prior period adjustment	<u>67,017</u>
Total funds restated as at 31 August 2023	<u><u>5,295,687</u></u>

15. LEGAL STATUS

The company, which is registered in England & Wales, is limited by guarantee and has no share capital. The liability of the members in the event of a winding up is limited to £10 each per member.

No one party has overall control of the school.

16. TANGIBLE FIXED ASSETS

	Capitalised finance lease for classrooms £	Improvements to leasehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 September 2023	134,026	9,229,209	992,209	71,385	10,426,829
Additions	<u>-</u>	<u>133,272</u>	<u>158,044</u>	<u>-</u>	<u>291,316</u>
At 31 August 2024	<u>134,026</u>	<u>9,362,481</u>	<u>1,150,253</u>	<u>71,385</u>	<u>10,718,145</u>
<b>DEPRECIATION</b>					
At 1 September 2023	134,026	3,013,472	916,605	50,553	4,114,656
Charge for year	<u>-</u>	<u>361,612</u>	<u>75,069</u>	<u>4,464</u>	<u>441,145</u>
At 31 August 2024	<u>134,026</u>	<u>3,375,084</u>	<u>991,674</u>	<u>55,017</u>	<u>4,555,801</u>
<b>NET BOOK VALUE</b>					
At 31 August 2024	<u><u>-</u></u>	<u><u>5,987,397</u></u>	<u><u>158,579</u></u>	<u><u>16,368</u></u>	<u><u>6,162,344</u></u>
At 31 August 2023	<u><u>-</u></u>	<u><u>6,215,737</u></u>	<u><u>75,604</u></u>	<u><u>20,832</u></u>	<u><u>6,312,173</u></u>

Leasehold property has been pledged as security for a bank loan.

Fixed assets, included in the above, which are held under finance leases are as follows:

	Motor vehicles £
<b>COST</b>	
At 1 September 2023 and 31 August 2024	<u>29,760</u>
<b>DEPRECIATION</b>	
At 1 September 2023	8,928
Charge for year	<u>4,464</u>
At 31 August 2024	<u>13,392</u>
<b>NET BOOK VALUE</b>	
At 31 August 2024	<u><u>16,368</u></u>
At 31 August 2023	<u><u>20,832</u></u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2024

<b>17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
	2024	2023
	£	£
Trade debtors	36,086	7,293
Other debtors	1,858	1,170
Accrued income	18,106	-
Prepaid expenses	<u>87,967</u>	<u>124,355</u>
	<u>144,017</u>	<u>132,818</u>
<b>18. CURRENT ASSET INVESTMENTS</b>		
	2024	2023
	£	£
Fixed term deposit	<u>2,250,000</u>	<u>200,000</u>
<b>19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
	2024	2023
	£	as restated £
Bank loans and overdrafts (see note 21)	150,000	1,125,711
Finance leases (see note 22)	5,076	4,869
Trade creditors	56,765	128,735
Social security and other taxes	49,021	54,299
Other creditors	47,585	31,946
Fee deposits	18,875	39,000
Fees received in advance	1,214,839	651,569
Accrued expenses	<u>164,151</u>	<u>85,529</u>
	<u>1,706,312</u>	<u>2,121,658</u>
<b>20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>		
	2024	2023
	£	as restated £
Bank loans (see note 21)	2,550,000	2,700,000
Finance leases (see note 22)	5,292	10,369
Long term fee deposits	234,057	213,932
Fees received in advance	<u>1,240,020</u>	<u>28,590</u>
	<u>4,029,369</u>	<u>2,952,891</u>

Long term fee deposits as at 31 August 2023 have been restated to adjust for historical deposits which have been retained as income. The creditor as at 31 August 2023 has been reduced by a total of £67,017 in the restatement.

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2024

21. LOANS

An analysis of the maturity of loans is given below:

	2024 £	2023 £
Amounts falling due within one year on demand:		
Bank overdrafts	-	975,711
Bank loans	<u>150,000</u>	<u>150,000</u>
	<u>150,000</u>	<u>1,125,711</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>2,550,000</u>	<u>2,700,000</u>

Interest is charged at a fixed rate of 4.01% and was interest only until 28 June 2022 and which point capital repayments started. The loan is repayable after 5 years and will be refinanced at that stage.

The bank loan from Handelsbanken has been secured against the land registered with the title number K739282.

22. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Finance leases	
	2024 £	2023 £
Gross obligations repayable:		
Within one year	5,412	5,412
Between one and five years	<u>5,412</u>	<u>10,825</u>
	<u>10,824</u>	<u>16,237</u>
Finance charges repayable:		
Within one year	336	543
Between one and five years	<u>120</u>	<u>456</u>
	<u>456</u>	<u>999</u>
Net obligations repayable:		
Within one year	5,076	4,869
Between one and five years	<u>5,292</u>	<u>10,369</u>
	<u>10,368</u>	<u>15,238</u>
	Non-cancellable operating leases	
	2024 £	2023 £
Within one year	258,244	246,247
Between one and five years	947,434	953,557
In more than five years	<u>2,590,875</u>	<u>2,803,899</u>
	<u>3,796,553</u>	<u>4,003,703</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2024

22. LEASING AGREEMENTS - continued

The School operates from premises subject to a lease that expires in December 2041. The rent is reviewed every five years, the last review was concluded in January 2023. A phased increase in rent was agreed between September 2022 and June 2024, increasing from £183,600 per annum to £211,500 per annum from June 2024.

Included within operating leases is £3,648,375 (2023: £3,854,644) relating to land and building and £148,177 (2023: £149,058) relating to other commitments.

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

				2024	2023 as restated
	Unrestricted fund £	Designated fixed asset fund £	Restricted fund £	Total funds £	Total funds £
Fixed assets	-	6,162,344	-	6,162,344	6,312,173
Current assets	4,947,498	200,000	63,760	5,211,258	4,058,063
Current liabilities	(1,556,313)	(149,999)	-	(1,706,312)	(2,121,658)
Long term liabilities	<u>(1,479,369)</u>	<u>(2,550,000)</u>	<u>-</u>	<u>(4,029,369)</u>	<u>(2,952,891)</u>
	<u>1,911,816</u>	<u>3,662,345</u>	<u>63,760</u>	<u>5,637,921</u>	<u>5,295,687</u>

Comparatives for net assets between funds

				2023 as restated	2022 as restated
	Unrestricted fund £	Designated fixed asset fund £	Restricted fund £	Total funds £	Total funds £
Fixed assets	6,312,173	-	-	6,312,173	6,562,839
Current assets	332,818	3,666,631	58,614	4,058,063	2,558,154
Current liabilities	(2,121,658)	-	-	(2,121,658)	(1,173,935)
Long term liabilities	<u>(2,952,891)</u>	<u>-</u>	<u>-</u>	<u>(2,952,891)</u>	<u>(3,253,515)</u>
	<u>1,570,442</u>	<u>3,666,631</u>	<u>58,614</u>	<u>5,295,687</u>	<u>4,693,543</u>

24. MOVEMENT IN FUNDS

	At 1.9.23 £	Net movement in funds £	Transfers between funds £	At 31.8.24 £
<b>Unrestricted funds</b>				
General fund	1,570,443	337,976	3,397	1,911,816
Designated fixed asset fund	3,666,630	(888)	(203,397)	3,462,345
General bursary reserve	-	-	200,000	200,000
	5,237,073	337,088	-	5,574,161
<b>Restricted funds</b>				
Restricted Fund	58,614	5,146	-	63,760
	<u>5,295,687</u>	<u>342,234</u>	<u>-</u>	<u>5,637,921</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2024

24. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Income £	Expenditure £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	5,654,410	(5,316,434)	337,976
Designated fixed asset fund	-	(888)	(888)
General bursary reserve	-	-	-
	<u>5,654,410</u>	<u>(5,317,322)</u>	<u>337,088</u>
<b>Restricted funds</b>			
Restricted Fund	5,146	-	5,146
	<u>5,146</u>	<u>-</u>	<u>5,146</u>
<b>TOTAL FUNDS</b>	<u><u>5,659,556</u></u>	<u><u>(5,317,322)</u></u>	<u><u>342,234</u></u>

Comparatives for movement in funds

	At 1.9.22 as restated £	Net movement in funds as restated £	Transfers between funds £	At 31.8.23 as restated £
<b>Unrestricted funds</b>				
General fund	4,622,904	597,128	(3,649,590)	1,570,442
Designated fixed asset fund	<u>17,929</u>	<u>(888)</u>	<u>3,649,590</u>	<u>3,666,631</u>
	4,640,833	596,240	-	5,237,073
<b>Restricted funds</b>				
Restricted Fund	<u>52,710</u>	<u>5,904</u>	<u>-</u>	<u>58,614</u>
<b>TOTAL FUNDS</b>	<u><u>4,693,543</u></u>	<u><u>602,144</u></u>	<u><u>-</u></u>	<u><u>5,295,687</u></u>

Comparative net movement in funds, included in the above are as follows:

	Income £	Expenditure £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	5,697,444	(5,100,316)	597,128
Designated fixed asset fund	-	(888)	(888)
	<u>5,697,444</u>	<u>(5,101,204)</u>	<u>596,240</u>
<b>Restricted funds</b>			
Restricted Fund	<u>5,904</u>	<u>-</u>	<u>5,904</u>
<b>TOTAL FUNDS</b>	<u><u>5,703,348</u></u>	<u><u>(5,101,204)</u></u>	<u><u>602,144</u></u>

The restricted funds are held as part of the company's bank balance. The bursary fund represents a donation towards a specific bursary in exceptional and emergency situations. Also a transfer from the general fund to the bursary fund was made during the year ended 31 August 2017. A separate bursary committee has been established to oversee this fund. The fund aims to support families who may succumb to unforeseen disasters such as sudden bereavement, divorce, redundancy or the collapse of a family business and will provide assistance in paying school fees.

The designated fixed asset fund equates to the net book value of the fixed assets of the school less the outstanding amount of bank loan.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2024

#### 24. MOVEMENT IN FUNDS - continued

The general bursary reserve was created from a transfer from the general fund in the year ended 31 August 2024. This reserve was created to provide means-tested financial support to parents particularly affected by the imposition of VAT.

#### 25. CAPITAL COMMITMENTS

	2024	2023
	£	£
Contracted but not provided for in the financial statements	-	<u>49,888</u>

#### 26. OTHER FINANCIAL COMMITMENTS

##### PENSION COMMITMENTS

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 £226,769 (2023: £222,556) and at the year-end £27,311 (2023: £26,281) 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, which was published in October 2023, confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

##### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 23 October 2023. The key elements of the valuation and subsequent consultation are:

- o employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- o total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million
- o the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, assumed real rate of return is 1.7% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

This valuation result was implemented from 1 April 2024.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Charity has accounted for its contributions to the scheme as if it were a defined contribution scheme.

##### Government pension scheme

The Charity pays pension contributions to into defined contribution pension schemes for those employees who do not participate in the TPS. The amount recognised as an expense in the year was £124,457 (2023: £117,591). The amount owed to the pension schemes at the year end was £20,274 (2023: £5,665).

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2024**

**27. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 August 2024 (2023: None)

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

England & Wales - Charity number 1100021

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# Accounts

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**REGISTERED COMPANY NUMBER: 03777308 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1100021**

**GOVERNORS' REPORT AND**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023**  
**FOR**  
**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2023**

The governors who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2023. The governors have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The School seeks to provide an education for life. It aims to achieve this through the 'Way of Life', together with an academic approach that focuses on the needs of the individual. In addition, the School sets out to encourage every pupil to be the best they can be, both inside and outside the classroom. The School's ethos is central to its aims and emphasizes strong pastoral care of pupils, nurturing each one and supporting parents and children alike.

Our aims are:

- to ensure the safeguarding of all pupils.
- to afford all pupils opportunities to succeed both inside and outside the classroom.
- to recruit and retain the highest calibre of teaching and support staff who embody our Way of Life.
- to provide excellent pastoral care and nurture outstanding relationships between staff, pupils and parents.
- to be a warm, friendly, family school.
- to provide individualised learning which we believe is best provided for in small class sizes.
- to utilise technology to aid student learning and to ensure that our ICT provision complements existing and future teaching strategies
- to progress the School's commitment to bursaries.
- to develop the School's involvement with local, national and international charities.
- to maintain and enhance the School's environment and facilities.
- to maintain a balanced budget approach to managing its financial resources and expenditures.

Sevenoaks Prep "Way of Life"

- I ought to think at all times how my every action will affect others in my life: parents, friends, relations, teachers and everyone younger than myself.
- I ought to treat all others as I would want to be treated myself, and take a personal interest in how other people feel.
- I ought not to touch anything that is not mine, unless with permission or unless I am being helpful.
- I ought to be polite to everybody at all times and be positive in my actions.
- I ought to take responsibility for my own maturity by ensuring I assist in the smooth running of the school and my home.
- I ought to take ownership of my studies, concentrating and applying myself to achieve to the best of my ability.
- I ought to obey in the right spirit the instructions of my teachers and parents.
- I ought to report immediately any damage or unfortunate behaviour to my teachers and/or my parents.
- I ought to remember that in life my aim should be to solve problems not cause them, to build bridges rather than knock them down, to trust others and to be trusted, to put the needs of others first and mine last, to improve and make better whatever or whoever I am involved with.
- I ought, at all times, to be totally honest to myself and to others.

**CHARITABLE OBJECTS**

The objects of the School as set out in the Articles of Association, are to establish and carry on in Great Britain (and any other countries) Schools at or by means of which students may obtain education and instructions in languages, mathematics, geography and history, and all other subjects whatsoever that may be included in a commercial, technical, scientific, classical or academic education.

In setting the objectives the governors have given careful consideration to the Charity Commissions' general guidance on public benefit.

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2023**

**OBJECTIVES AND ACTIVITIES**

**Significant activities**

Sevenoaks Prep continues to develop its broad and challenging curriculum to equip children with the knowledge, skills and experience needed for tomorrow. Our location, in 25 acres of well-managed playing fields and woodland, provides not only a vast playground but also the opportunity to extend the classroom and deliver hands-on learning indoors and out in the open.

We are focussed on improving the mental health and wellbeing of all our pupils and staff. A wellbeing team has been created and mental health prefects appointed to actively support the emotional wellbeing and mental health of the whole school.

**Arts**

The choir initially sang outside at both our family day and the Christmas Bazaar and we returned to St Nicholas' Church for the Christmas Service. Throughout the school year, we put on a number of music and drama performances and productions such as the Pre-prep's summer show as well as the Senior School production of 'The War of the Worlds' and the Middle School production of "Oliver!" The annual House Music Competition took place in October and the House Drama competition took place in July allowing the pupils in Year 8 to develop their leadership skills by running their Houses rehearsals and performance. Our Art scholars were lucky enough to visit a variety of exhibitions to enhance their studies and the School's entry in the DSWF Global canvas art competition was a finalist. Prep Idol, our annual pop/rock concert, took place in the summer term, and our largest ever audience, nearly 500 people, witnessed the largest number of bands and performers ever take the stage and perform brilliantly. Pre prep students from KG - Year 2 performed in Christmas shows and in summer shows.

**Sports**

**Tennis**

On the Tennis front we achieved an excellent result at the Kent Championships with two boys retaining their title as Kent Schools Tennis Champions and another pupil was selected for the U9 Kent tennis Programme.

**Football**

We had a successful term of Football in the Colts Football tournaments at Hilden Grange and Somerhill. We entered 5 teams against all the local Prep schools with some excellent performances: the Colts A team won the Cup, Colts B lost a close semifinal, the Colts C also lost a tight Semi Final, with the Colts E finishing runners up in their Plate competition.

In the annual St Michael's U10 and U11 tournaments we had two teams reach the semifinals losing on penalties and in Golden Goal. The Senior first team had a difficult season but made the semifinal of the New Beacon tournament. The Senior 2nd team went unbeaten which is positive indication for next year.

**Cross Country**

The Prep had an excellent season of cross country with impressive individual and team performances throughout the season. We once again held a very successful Thomas Trophy here at the Prep with over 400 runners, from local independent and state schools, with all participants electronically timed. The U11 Boys team won their race with individual medals for 1st and 3rd places. In the U13 Boys race a Prep pupil finished 2nd and the U13 Girls were the overall winners.

**Dobson Trophy**

For the first time in many years we entered the Dobson trophy run at Claremont. After a long drive down to St Leonards-on-Sea the U9 girls finished 2nd, U11 Boys winning their race with 1st and 2nd places.

**Bracken Cup Somerhill**

In the Bracken and Woodmansiie cup held at Somerhill the U11 boys put in their most impressive performance of the season with four boys finishing in the top four places leading to an impressive team score.

**Hilden Grange**

At the Hilden Grange race it was the Year 2's turn to take centre stage with both the boys and girls winning their races with pupils in both boys and girls races claiming the winning spot as well as a third place in the boys race. In the U9 Girls race the Prep placed 3rd.

**Rugby**

We had a very enjoyable and competitive season of rugby this year performing well with some pleasing results in our fixtures. There was a lot of enjoyment and progression throughout the season which was excellent to see. In the tournaments the U11 had a strong showing in the Solefield tournament with some impressive results. Unfortunately, the Oldroyd 7s (U11) was cancelled twice due to the appalling weather we witnessed in March but miraculously we managed to hold the Culley Cup (U13). In attritional conditions the standard of rugby was very high with the Prep finishing 3rd in which was a very important event for us considering Ian Culley's passing earlier in the year.

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2023**

**OBJECTIVES AND ACTIVITIES**

**Cricket**

Another fantastic season of cricket was had with the growing success of our mixed cricket programme. Three out of the five senior teams played hardball cricket with a number of girls appearing in the 1st team. The Colts put out 8 teams, 4 of which played regular hardball matches with the E team also having some experience of hardball matches as the season progressed.

In the Rose Hill T10 Tournament the Colts A team were crowned champions for the first time in over a decade. The manner of win was particularly notable with a number of observers highlighting how impressed they were not only with their ability, but the tactics employed and their teamwork and support of each other. One student finished the season with 3 half centuries and was selected for the Kent U11 team for the summer, a fantastic and well-deserved achievement.

**Hockey**

Hockey at The Prep continues to go from strength to strength. The U13 won the Sevenoaks School tournament and at the end of the Easter term the U12 team travelled to the Regionals, having been crowned Kent U12 hockey champions. We were incredibly proud of the way the girls played against much bigger schools. The focus on hockey starting at Year 2 is really paying dividends and with lots of hard work from the girls; they are improving all the time and we have great hopes for them in years to come.

**Netball**

After a very wet then frosty start to the netball season we were finally pleased to start playing matches and getting out to train. At the start of the season, we welcomed some netball specialist teachers from Mayfield again and had an excellent session getting back into the swing of things.

Year 3 played Bee netball - so five a side with lots of changing of positions and lots of time on court trying to perfect our footwork, passing, catching and shooting. Year 4 girls transitioned from Bee Netball to 7-a-side, introducing two new positions to the game: wing attack and wing defence. After a frustrating start to the season because of the cold and icy courts, Year 5 matches got under way and the girls showed real talent by changing positions when needed and working as a team. This attitude was also a strength in the U11s who have shown strong teamwork and collaboration in all of their teams and competed in local tournaments. Two of the U13 pupils were awarded their school colours for netball by the end of the season and we look forward to hearing about their progress in the future.

**Athletics**

Our Year 5-8 pupils competed in the District Schools' Championships in June. It was an extremely successful day with a bronze medal in the U12 800m and silver and bronze in the U13 hurdles. We were incredibly proud that our pupils who placed 1st in the high jump and 2nd in the shot put and 2nd in both the 800m and hurdles went on to compete in the National Athletics in Birmingham on the 3rd of July.

**Trips and Workshops**

We have been able to schedule many more trips and workshops for the children over the year, some of which are listed below:

The Royal Observatory in Greenwich  
Hastings  
Tonbridge Castle  
Roman Day  
The British Museum  
Horton Kirkby Environmental Centre  
The White Cliffs of Dover  
River Bourne  
Bushcraft  
Knole House  
WW1 Battlefields - France/Belgium  
PGL Marchants Hill  
House General Knowledge Quiz  
The Royal Observatory, Greenwich  
Godstone Farm  
St Nicholas' Church  
Hastings  
Charlie and the Chocolate Factory, Wimbledon  
Frozen, West End

The children's learning is also supported during the year by putting on and attending a wide range of workshops, such as STEAM day where pupils made rockets, World Book Day, author visits, the yearly Scholastic Book Fair, Readathon, an interactive science day, Diwali and Henna painting workshops, visiting performances of pantomimes, a zoo lab visit, a screen printing workshop, specialist netball tuition, and the ever popular Duck Watch of hatching ducklings.

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2023**

**OBJECTIVES AND ACTIVITIES**

Our regular school events that involve our community of children, parents and staff got back underway including the Quiz Night, the Golf Day, Family Cricket Day, Prep Idol, Prepstock Festival, Grandparents Day, the Maypole Dancing, our Kindergarten Grand Prix, Family Day and the Christmas Bazaar.

The School encourages a more environmental approach wherever it can, and this year has been building on the Eco School status with more work being done by the children on our Eco Committee to reduce our impact on the environment.

Alongside this, the whole school have benefitted from outdoor learning and use of our outdoor "forest" classrooms and natural areas in our lovely grounds. We have highly qualified specialist staff running these sessions which support children's independence and love of nature as well as teaching them new skills.

**Public benefit**

Our continuing involvement as a school with local, national and international charities supports the work we do in making children aware of the wider environment and to raise funds for those in need. During the school year we have collected food bank donations for Sevenoaks Larder, and the Spring Ball organised by the parents raised a large amount of money for Friends for Families, which is a local charity supporting the work of social workers with deprived families.

We have several staff who are governors at other local schools and donate their time and skills, and nationally we raised funds for the Salvation Army, Macmillan Cancer, and the Poppy Appeal. Internationally we also supported the Haller Community charity in Kenya and We See Hope in Kenya, Malawi, Tanzania, Uganda and Zimbabwe from various initiatives that the children themselves set up and ran.

During each school holiday we host a variety of clubs and activities run by external providers to offer fun and challenging experiences and in holiday childcare. Our facilities are used for this and they are available to all working families whether they attend our school or not.

**Scholarships (Years 6 and 8)**

The following Scholarships were awarded to our pupils: -

- 3 Sports Scholarships
- 12 Academic Scholarships
- 1 Music Scholarship
- 2 Arts Scholarships
- 1 Drama Scholarship

**Destination Schools**

Pupils gained places at their chosen 11+ / 13+ senior independent schools and many were awarded places at two or more schools. This ranged across 14 different independent school and 4 grammar schools.

**FINANCIAL REVIEW**

**Financial position**

The income of the School arises from fees and donations received and interest earned on short term deposits with the bank.

The charitable expenditure is all met from this income. The governors consider the assets and the operation of the School are sufficient in the short term to maintain its obligations in full.

The total income during the year ended 31 August 2023 was £5,700,032 (2022: £5,333,477) and the expenditure was £5,101,204 (2022: £4,954,425) which resulted in a surplus for the year of £598,828 compared to a surplus of £379,052 generated in the previous year. All of the School's expenditure was spent in advancement of its charitable objectives.

**Investment policy and objectives**

The governors investment powers are governed by the Memorandum and Articles of Association which permit the governors to make any investments they deem fit. Most of the funds generated by the School are used in the short term in achieving the charitable aims and objectives. There are no funds available for external long term investments. Short term surplus funds are held on deposit with the bank.

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2023**

**FINANCIAL REVIEW**

**Reserves policy**

The governors have a policy of holding unrestricted cash equal to at least three months budgeted expenditure to be retained as a reserve which equates to between £1.1m and £1.25m (2022: £1.1m and £1.25m). This is intended to allow the school to fund planned maintenance of the buildings and facilities, to provide for future capital project expenditure on improving the educational facilities and for the support of the financial health of the business.

As this fund is built up it may also be depleted as the spend is likely to take place in large tranches rather than continuous amounts, and it will then be replenished over the following number of years. The governors are always mindful of the need to maintain prudent financial provisions.

The School holds restricted funds of £58,614 (2022: £52,710) which have been donated for the funding of bursaries. Unrestricted funds of £5,170,056 (2022: £4,577,132) allow the school to carry out its charitable objectives. The total funds held were £5,228,670 (2022: £4,629,842).

**FUTURE PLANS**

Given the uncertain economic situation the school does not have any immediate plans for capital development, However, planned repairs and improvements to the car park and upgrading of the Sports Hall will take place to ensure that we make the best use of the buildings and grounds and continue to provide high quality.

**REPORTABLE INCIDENTS**

There have been no reportable incidents.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**Appointment and re-appointment of governors**

The Articles of Association allow for there to be between seven and twenty appointed governors. There are currently 12 on the Board. Governors are appointed by the existing Board members in the first instance and they are re appointed for 3 years and can serve up to a maximum of 3 terms of 3 years unless there are extenuating circumstances.

**Organisational structure**

None of the governors has any beneficial interest in the company. All the governors are members of the company and guarantee to contribute £10 in the event of a winding up

The board of governors met at least once per term on 12 October 2022, 16 March 2023, 3 May 2023 and 16 June 2023.

The main Sub Committee of the governors is the Executive Committee which meets once a month to discuss the day to day matters concerned with the running of the School. Major items are passed to the Main Board for discussion, with the Executive Committee's recommendations. The Chairman and Vice Chairman sit on this Committee with the Headmaster, Bursar, Deputy Head and Head of Pre-Prep in attendance.

The other permanent Sub Committees are as follows:

Academic Committee	C Jones	Chair
Finance and Risk Committee	J Berry	Chair
Bursary Committee	K Rush	Chair
Estates and Facilities Committee	A Durnell	Chair
Safeguarding and Wellbeing Committee	T Hornshaw	Chair

The governors bring many years of experience in a wide variety of professional fields, such as finance, education and medicine. The "day to day" running of the School is delegated to the Headmaster Luke Harrison and the Bursar, Elizabeth Walsh. They work in cooperation with the Senior Management Team, who are the Deputy Head, Head of Pre-Prep, Assistant Heads and Head of Early Years.

**Induction and training of new governors**

The School has appointed one new governor during the year, and she has benefited from online training including safeguarding training. The chair of governors attended the Association of Governing Bodies of Independent Schools (AGBIS) conference.

The cost of governors' courses to the School during the year was £195.

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2023**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Key management remuneration**

In line with pay for all staff, key management pay is considered by the governors' Finance and Risk Committee who make recommendations to the full board. In deciding the level of remuneration, the committee consider the current market demand for pupils, the financial strength of the School and the economic outlook. The key management roles are detailed in note 12 of the accounts.

**COMMUNITY LINKS AND PUBLIC BENEFIT**

Part of the School's aims is to develop involvement with local, national and international charities. This is an important way of developing children's understanding of wider society. During the school year we have collected food bank donations for Sevenoaks Larder, and the children, parents and staff worked to raise money for local charities such as Friends for Families and by donating Christmas gifts to the Salvation Army. We supported raising money for national charities such as Macmillan Cancer, the Poppy Appeal and the Red Cross Appeal for Ukraine, and Internationally as we raised and donated funds to Phoenix Football Academy in Ghana, the Haller Community charity in Kenya and We See Hope in Kenya, Malawi, Tanzania, Uganda and Zimbabwe.

During each school holiday we host a variety of clubs and activities run by external providers to offer fun and challenging experiences and in holiday childcare to all working families whether they attend our school or not.

**Engagement with employees**

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees has continued at all levels with the aim of taking their views into account when decisions are made that are likely to affect their interests. The staff council continued to be consulted and to contribute suggestions to the executive.

**Risk management**

Sevenoaks Prep School Board of governors is responsible for the management of the risks faced by the School. Risks are identified, assessed and controls established throughout the year. The full Risk register is reviewed annually by the Finance and Risk sub committee of the Board and it is a standing item on their termly agenda.

The governors consider the major potential risks to the School to be:

- A challenging economic environment adversely affecting pupil numbers & fee levels.
- Inflationary pressures on certain costs.
- Competition from both independent and state schools for pupils.
- Ensuring Safeguarding & Inspection in an increasingly regulated environment.
- The unknown impact of the proposed imposition of VAT on school fees by future Labour Government.

The key controls used by the School to mitigate risks include:

- Formal agenda for Committee and Board activities.
- Detailed Terms of reference for all Committees.
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational structure and lines of reporting.
- Formal written policies.
- Robust scrutiny of policies.
- Clear authorisation and approval levels.
- Safer recruitment as required by law for the protection of the vulnerable.
- Staff training, Child Protection and safeguarding.
- Data protection measures in place to protect the cyber security of School data including restriction of access authentication, the holding of back-ups and purchase of insurance

Through the risk management processes established by the School, the governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that the systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2023**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Bursary Policy**

This year the Charity awarded Bursaries of £47,546 (0.83% of fee income) 2022: £39,330 (0.75% of fee income) from unrestricted funds. The governors' policy, in line with that of most other independent schools, is to award Bursaries on the basis of need. All Bursaries are means tested on application.

A Bursary fund has been established and is overseen by a subcommittee of 3 governors, the Head and the Bursar. Our aim is to build up a fund which will support a child attend the School. This would be over and above the funds already set aside by the School.

**Pension schemes**

The School participates in the Teachers' Pension Scheme (TPS) for its teaching Staff and an auto enrolment scheme run by People's Pensions for support staff.

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

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The current employer contribution rate for the TPS is 23.68%. Following the completion of a consultation process the governors have limited the contribution as employers to 20.1% from September 2022 and have provided a Total Remuneration Package (TRP) which gives teachers the option to teachers of either remaining in the TPS or joining an alternative defined contribution pension.

For the Support Staff Pension administered by the People's Pension the employer contribution was 3%. The employee rate increased to 5% on 6th April 2019.

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2023**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
03777308 (England and Wales)

**Registered Charity number**  
1100021

**Registered office**

Fawke Cottage  
Godden Green  
Sevenoaks  
Kent  
TN15 0JU

**Trustees**

Chairman - Ms J S Berry  
Vice Chairman - E Oatley  
Dr S Bailey  
R Burgess  
Dr M J Carboni (resigned 16.03.23)  
P Cheveley  
T C Dickinson  
A Durtnell  
Mrs T L Hornshaw  
Mrs M L Ismail  
C Jones  
K R Rush  
C J Sutton-Mattocks (resigned 23.11.22)  
Mrs A M Stuart (appointed 12.10.22)

**Company Secretaries**

Miss M Peirce  
Mrs E Walsh

**Auditors**

Azets Audit Services  
River House  
1 Maidstone Road  
Sidcup  
Kent  
DA14 5RH

**Solicitors**

Thackray Williams  
Kings House  
32-40 Widmore Road  
Bromley  
Kent  
BR1 1RY

**Bankers**

Handelsbanken  
Sevenoaks Branch  
1st Floor  
50-52 London Road  
Bligh's Meadow  
Sevenoaks  
Kent  
TN13 1AS

**Senior Leadership Team**

Headmaster - Luke Harrison  
Bursar - Elizabeth Walsh  
Deputy Head - James Ashcroft  
Head of Pre-Prep - Helen Cook  
Assistant Head - key stage 3/Director of Admissions - Clare Harrison  
Assistant Head - key stage 2 - Robin Collings  
Assistant Head - key stage 1 - Shannon Wake  
Head of Early Years - Louisa Rowland

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2023**

**STATEMENT OF GOVERNORS' RESPONSIBILITIES**

The governors (who are also the directors of Sevenoaks Preparatory School Limited 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) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 charitable company for that period. In preparing those financial statements, the governors are required to

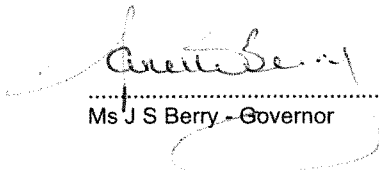
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 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.

In so far as the governors are aware:

- there is no relevant audit information of which the charitable 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.

Approved by order of the board of governors on 26. March 2024 and signed on its behalf by:

  
.....  
Ms J S Berry - Governor

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SEVENOAKS PREPARATORY SCHOOL LIMITED**

### **Opinion**

We have audited the financial statements of Sevenoaks Preparatory School Limited (the 'charitable company') for the year ended 31 August 2023 which comprise 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2023 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' 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 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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Report has 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.

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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the governors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the governors' Report.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SEVENOAKS PREPARATORY SCHOOL LIMITED

### Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, 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 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.

### Our 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 a Report of the Independent Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

- o Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- o Reviewing minutes of meetings of those charged with governance;
- o Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- o Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- o Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 Report of the Independent Auditors.

### Use of our report

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

*Azets Audit Services Limited*

M Wilkes FCA (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services  
River House  
1 Maidstone Road  
Sidcup  
Kent  
DA14 5RH

Date: 13 May 2024.....

## SEVENOAKS PREPARATORY SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2023

					2023	2022
	Notes	Unrestricted fund £	Designated fixed asset fund £	Restricted fund £	Total funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	2	84,909	-	5,000	89,909	57,417
<b>Charitable activities</b>						
Education	5	5,570,149	-	-	5,570,149	5,265,499
Other trading activities	3	6,140	-	-	6,140	2,636
Investment income	4	26,695	-	904	27,599	3,040
Other income		6,235	-	-	6,235	4,885
<b>Total</b>		<u>5,694,128</u>	<u>-</u>	<u>5,904</u>	<u>5,700,032</u>	<u>5,333,477</u>
<b>EXPENDITURE ON</b>						
<b>Raising funds</b>						
Raising donations and legacies	6	46,663	-	-	46,663	17,482
		46,663	-	-	46,663	17,482
<b>Charitable activities</b>						
Education	7	5,052,910	889	-	5,053,799	4,936,347
Other		742	-	-	742	596
<b>Total</b>		<u>5,100,315</u>	<u>889</u>	<u>-</u>	<u>5,101,204</u>	<u>4,954,425</u>
<b>NET INCOME/(EXPENDITURE)</b>		593,813	(889)	5,904	598,828	379,052
<b>Transfers between funds</b>	23	(3,649,590)	3,649,590	-	-	-
<b>Net movement in funds</b>		(3,055,777)	3,648,701	5,904	598,828	379,052
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		4,559,203	17,929	52,710	4,629,842	4,250,790
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>1,503,426</u>	<u>3,666,630</u>	<u>58,614</u>	<u>5,228,670</u>	<u>4,629,842</u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

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

The notes form part of these financial statements

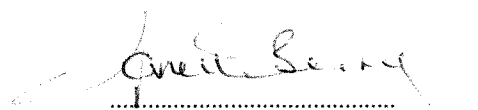
**SEVENOAKS PREPARATORY SCHOOL LIMITED (REGISTERED NUMBER: 03777308)**

**BALANCE SHEET  
31 AUGUST 2023**

	Notes	2023 £	2022 £
<b>FIXED ASSETS</b>			
Tangible assets	15	6,312,173	6,562,839
<b>CURRENT ASSETS</b>			
Debtors	16	132,818	70,806
Investments	17	200,000	-
Cash at bank		<u>2,749,534</u>	<u>2,487,348</u>
		3,082,352	2,558,154
<b>CREDITORS</b>			
Amounts falling due within one year	18	<u>(1,145,947)</u>	<u>(1,173,936)</u>
<b>NET CURRENT ASSETS</b>		<u>1,936,405</u>	<u>1,384,218</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		8,248,578	7,947,057
<b>CREDITORS</b>			
Amounts falling due after more than one year	19	<u>(3,019,908)</u>	<u>(3,317,215)</u>
<b>NET ASSETS</b>		<u>5,228,670</u>	<u>4,629,842</u>
<b>FUNDS</b>	23		
Unrestricted funds:			
General fund		1,503,426	4,559,203
Designated fixed asset fund		<u>3,666,630</u>	<u>17,929</u>
		<u>5,170,056</u>	<u>4,577,132</u>
Restricted funds		<u>58,614</u>	<u>52,710</u>
<b>TOTAL FUNDS</b>		<u>5,228,670</u>	<u>4,629,842</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Governors and authorised for issue on 21st Sept 2024 and were signed on its behalf by:

  
.....  
J S Berry - Governor

The notes form part of these financial statements

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2023**

Notes	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Cash generated from operations	766,240	682,527
Interest element of finance lease payments paid	<u>(742)</u>	<u>(596)</u>
Net cash provided by operating activities	<u>765,498</u>	<u>681,931</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(185,716)	(32,182)
Sale of tangible fixed assets	9,475	4,885
Investment in fixed term deposits	(200,000)	-
Interest received	<u>27,599</u>	<u>3,040</u>
Net cash used in investing activities	<u>(348,642)</u>	<u>(24,257)</u>
<b>Cash flows from financing activities</b>		
Loan repayments in year	(150,000)	-
Finance lease repayments	<u>(4,670)</u>	<u>19,908</u>
Net cash (used in)/provided by financing activities	<u>(154,670)</u>	<u>19,908</u>
<b>Change in cash and cash equivalents in the reporting period</b>		
	262,186	677,582
<b>Cash and cash equivalents at the beginning of the reporting period</b>		
	<u>2,487,348</u>	<u>1,809,766</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		
	<u><u>2,749,534</u></u>	<u><u>2,487,348</u></u>

The notes form part of these financial statements

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	598,828	379,052
<b>Adjustments for:</b>		
Depreciation charges	433,143	417,925
Profit on disposal of fixed assets	(6,235)	(4,885)
Interest received	(27,599)	(3,040)
Interest element of hire purchase and finance lease rental payments	742	596
(Increase)/decrease in debtors	(62,013)	816
Decrease in creditors	<u>(170,626)</u>	<u>(107,937)</u>
<b>Net cash provided by operations</b>	<u>766,240</u>	<u>682,527</u>

2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1.9.22 £	Cash flow £	At 31.8.23 £
<b>Net cash</b>			
Cash at bank	<u>2,487,348</u>	<u>262,186</u>	<u>2,749,534</u>
	<u>2,487,348</u>	<u>262,186</u>	<u>2,749,534</u>
<b>Liquid resources</b>			
Deposits included in cash	-	-	-
Current asset investments	<u>-</u>	<u>200,000</u>	<u>200,000</u>
	<u>-</u>	<u>200,000</u>	<u>200,000</u>
<b>Debt</b>			
Finance leases	(19,908)	4,670	(15,238)
Debts falling due within 1 year	(150,000)	-	(150,000)
Debts falling due after 1 year	<u>(2,850,000)</u>	<u>150,000</u>	<u>(2,700,000)</u>
	<u>(3,019,908)</u>	<u>154,670</u>	<u>(2,865,238)</u>
<b>Total</b>	<u>(532,560)</u>	<u>616,856</u>	<u>84,296</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Sevenoaks Preparatory School Limited is governed under its Memorandum and Articles of Association. The address of the principal office is given in the information on page 8 of these financial statements. The nature of the School's operations and principal activities are set out on pages 1 to 4.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

- Bad debt provision

**Useful economic lives of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment, and note 1 for the useful economic lives for each class of assets.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

School fee income is accounted for on a receivable basis and consists of charges billed for the school year ended 31 August, less bursaries and allowances. No value added tax is chargeable on the fees rendered. Fees received in advance for education to be provided in future years are carried forward as deferred income.

Donations are accounted for once the school has entitlement to the gift, it is probable that the income will be received, and the amount can be measured reliably.

Investment income is accounted when it is receivable, and the amount can be measured reliably.

**Expenditure and irrecoverable value added tax (vat)**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023**

**1. ACCOUNTING POLICIES - continued**

**Expenditure and irrecoverable value added tax (vat)**

The irrecoverable element of value added tax is included with the related expense.

Administration costs are allocated to the cost of raising funds and charitable activities on the basis of an appropriate apportionment of resources and activities.

Governance costs have been allocated in line with administration costs and include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

**Funds**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the governors.

Designated funds relate to the net book value of fixed assets held by the school less the outstanding loans held.

Restricted funds can only be used for particular purposes within the objects of the school. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all fixed assets at rates calculated to write off their cost, less estimated residual value, over their expected useful lives by equal annual instalments as follows:

Capitalised finance lease for classrooms - 10% on cost  
Improvements to leasehold property - 4 to 10% on cost  
Fixtures and fittings - 25% on cost and 20% on cost  
Motor vehicles - 15% on cost

It is the school's policy to capitalise all items of a capital nature over £500.

**Impairment of fixed assets**

Impairment reviews are carried out if events of changes in circumstances indicate that the carrying value of an asset may not be recoverable. When an impairment review is necessary the carrying amount of an asset is compared with the higher of its net realisable value and value in use and any permanent diminution in value is written off to the Statement of Financial Activities.

**Taxation**

The charity is exempt within the meaning on schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in paragraph 1 schedule 6 to the Finance Act 2020 and therefore meets the definition of a charitable company for UK tax purposes.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Donations of goods, services and facilities**

Donated goods, professional services and facilities are recognised as income when the school has control over the item or has received the service, any conditions associated with the donation have been met, the receipt of the economic benefit from the use of an item by the school is probable, and that economic benefit can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023**

**1. ACCOUNTING POLICIES - continued**

**Donations of goods, services and facilities**

On receipt, donated goods, professional services and facilities are recognised on the basis of the value of the gift to the school which is the amount the school would have been willing to pay to obtain the goods, services or facilities on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. Goods donated for on-going use by the school in carrying out its day to day activities are recognised as tangible fixed assets.

**Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Current asset investments**

Current asset investments include long-term liquid investments with maturity of three months or more are initially stated at transaction value and subsequently measured at their settlement value.

**Creditors and provisions**

Creditors and provisions are recognised when 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.

**Financial instruments**

The school only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

Many of the teaching staff are members of the Teachers' Pension Scheme (TPS), a defined benefit scheme administered by the Teachers' Pension Agency. The Teachers' Pension Scheme is a multi-employer pension scheme which is unfunded. Actuarial valuations are carried out on a notional set of investments.

The school is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, under FRS102, the scheme is accounted for as if it were a defined contributions scheme. The school's contributions, which are in accordance with the recommendations of the Government Actuary, are charged to the Statement of Financial Activities in the period in which the salaries to which they relate are payable.

The school also contributes to personal pension schemes for other teachers and non-teaching staff. These schemes are defined contribution schemes. The assets of the schemes are held separately from those of the school in independently administered funds. Contributions payable for the year are charged to the Statement of Financial Activities. The school has no other liabilities under these schemes.

**Employee benefits**

Short term employee benefits including holiday pay are recognised in the Statement of Financial Activities in the period in which the service is rendered. Termination benefits are accounted for on an accrual basis and in accordance with FRS102.

**Public benefit**

The school is a Public Benefit Entity

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023**

**2. DONATIONS AND LEGACIES**

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Donations	83,855	5,000	88,855	52,651
Gift aid	<u>1,054</u>	<u>-</u>	<u>1,054</u>	<u>4,766</u>
	<u>84,909</u>	<u>5,000</u>	<u>89,909</u>	<u>57,417</u>

**3. OTHER TRADING ACTIVITIES**

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
External hire	<u>6,140</u>	<u>-</u>	<u>6,140</u>	<u>2,636</u>

**4. INVESTMENT INCOME**

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Deposit account interest	<u>26,695</u>	<u>904</u>	<u>27,599</u>	<u>3,040</u>

**5. INCOME FROM CHARITABLE ACTIVITIES**

	2023 £	2022 £
School fees	5,728,084	5,372,877
Registration fees	7,775	6,310
Bursaries, scholarships and discounts	(169,699)	(141,343)
School shop	<u>3,989</u>	<u>27,655</u>
	<u>5,570,149</u>	<u>5,265,499</u>

**6. RAISING DONATIONS AND LEGACIES**

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Fundraising costs	<u>46,663</u>	<u>-</u>	<u>46,663</u>	<u>17,482</u>

**7. CHARITABLE ACTIVITIES COSTS**

	Support costs (see note 8) £
Education	<u>5,053,799</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023

8. SUPPORT COSTS

	Finance £	Welfare costs £	Development costs £	Teaching costs £
Education	<u>121,213</u>	<u>329,924</u>	<u>20,070</u>	<u>2,828,832</u>
	Premises costs £	Support costs £	Governance costs £	Totals £
Education	<u>1,248,956</u>	<u>475,459</u>	<u>29,345</u>	<u>5,053,799</u>

Support costs, included in the above, are as follows:

**Finance**

	2023	2022
	Education	Total activities
	£	£
Bank interest and charges	<u>121,213</u>	<u>123,246</u>

**Welfare costs**

	2023	2022
	Education	Total activities
	£	£
Contracted catering staff	173,487	167,879
Cost of meals	<u>156,437</u>	<u>132,444</u>
	<u>329,924</u>	<u>300,323</u>

**Development costs**

	2023	2022
	Education	Total activities
	£	£
Wages	18,243	28,745
Social security	1,280	1,943
Pensions	<u>547</u>	<u>830</u>
	<u>20,070</u>	<u>31,518</u>

**Teaching costs**

	2023	2022
	Education	Total activities
	£	£
Wages	2,070,584	1,991,008
Social security	202,896	200,604
Pensions	326,918	346,047
Tutors and instructors	28,306	44,120
Training	23,266	13,466
Subscriptions	9,102	7,235
Classroom supplies	<u>167,760</u>	<u>237,298</u>
	<u>2,828,832</u>	<u>2,839,778</u>

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023**

**8. SUPPORT COSTS - continued**

**Premises costs**

	2023	2022
	Education	Total
	£	activities
		£
Wages	103,311	100,608
Social security	10,638	10,555
Pensions	3,099	2,905
Rent and rates	229,305	214,579
Insurance	48,657	35,609
Heat and light	120,359	88,990
Repairs and maintenance	92,348	70,807
Grounds	47,990	38,035
Cleaning	129,622	113,190
Motor & travelling expenses	30,484	10,977
Depreciation of tangible fixed assets	433,142	417,923
	<u>1,248,955</u>	<u>1,104,178</u>

**Support costs**

	2023	2022
	Education	Total
	£	activities
		£
Wages	317,414	314,388
Social security	31,803	31,922
Pensions	9,523	8,334
Hire of equipment	23,223	35,705
Telephone	9,082	8,392
Advertising & marketing	28,816	33,325
Headmasters entertainment	827	1,961
Sundry expenses	2,466	3,198
Postage and stationery	20,684	22,601
Legal & professional fees	31,621	49,362
	<u>475,459</u>	<u>509,188</u>

**Governance costs**

	2023	2022
	Education	Total
	£	activities
		£
Governors' expenses	954	448
Auditors' remuneration	10,125	9,315
Accountancy fees	18,266	18,353
	<u>29,345</u>	<u>28,116</u>

**9. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	428,678	413,461
Depreciation - assets on hire purchase contracts and finance leases	4,464	4,464
Hire of plant and machinery	23,223	35,705
Other operating leases	229,305	214,579
Surplus on disposal of fixed assets	<u>(6,235)</u>	<u>(4,885)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023

## 10. AUDITORS' REMUNERATION

Auditors' remuneration for the year totalled £10,125 (2022: £9,315).

## 11. GOVERNORS' REMUNERATION AND BENEFITS

None of the governors (or any persons connected with them) received any remuneration or other benefits from any employment with the school during the current or previous year.

No amounts were due to or from the governors at the balance sheet date (2022: £nil).

**Governors' expenses**

	2023	2022
	£	£
Trustees' expenses	<u>954</u>	<u>448</u>

## 12. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	2,509,552	2,434,749
Social security costs	246,617	245,024
Other pension costs	<u>340,087</u>	<u>358,116</u>
	<u>3,096,256</u>	<u>3,037,889</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Employees	<u>83</u>	<u>82</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£70,001 - £80,000	1	3
£80,001 - £90,000	2	-
£90,001 - £100,000	<u>1</u>	<u>1</u>
	<u>4</u>	<u>4</u>

Contributions totalling £48,283 (2022: £55,716) were made during the year to pension schemes on behalf of employees whose employee benefits exceed £60,000.

The key management personnel of the school comprise the Headmaster, the Bursar, the Deputy Head, the Head of Pre-Prep., Assistant Heads and the Head of Early Years. The total employee benefits including pension contributions for the key management personnel were £694,251 (2022: £675,266).

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023**

**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Designated fixed asset fund £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	38,217	-	19,200	57,417
<b>Charitable activities</b>				
Education	5,265,499	-	-	5,265,499
Other trading activities	2,636	-	-	2,636
Investment income	2,974	-	66	3,040
Other income	<u>4,885</u>	-	-	<u>4,885</u>
<b>Total</b>	<u>5,314,211</u>	-	<u>19,266</u>	<u>5,333,477</u>
<b>EXPENDITURE ON</b>				
<b>Raising funds</b>				
Raising donations and legacies	<u>17,482</u>	-	-	<u>17,482</u>
	17,482	-	-	17,482
<b>Charitable activities</b>				
Education	4,935,459	887	1	4,936,347
Other	<u>596</u>	-	-	<u>596</u>
<b>Total</b>	<u>4,953,537</u>	<u>887</u>	<u>1</u>	<u>4,954,425</u>
<b>NET INCOME/(EXPENDITURE)</b>	360,674	(887)	19,265	379,052
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	<u>4,198,528</u>	<u>18,817</u>	<u>33,445</u>	<u>4,250,790</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>4,559,202</u>	<u>17,930</u>	<u>52,710</u>	<u>4,629,842</u>

**14. LEGAL STATUS**

The company, which is registered in England & Wales, is limited by guarantee and has no share capital. The liability of the members in the event of a winding up is limited to £10 each per member.

No one party has overall control of the school.

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023

15. TANGIBLE FIXED ASSETS

	Capitalised finance lease for classrooms £	Improvements to leasehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 September 2022	134,026	9,122,374	913,328	79,485	10,249,213
Additions	-	106,835	78,881	-	185,716
Disposals	-	-	-	(8,100)	(8,100)
At 31 August 2023	<u>134,026</u>	<u>9,229,209</u>	<u>992,209</u>	<u>71,385</u>	<u>10,426,829</u>
<b>DEPRECIATION</b>					
At 1 September 2022	134,026	2,657,155	844,244	50,949	3,686,374
Charge for year	-	356,317	72,361	4,464	433,142
Eliminated on disposal	-	-	-	(4,860)	(4,860)
At 31 August 2023	<u>134,026</u>	<u>3,013,472</u>	<u>916,605</u>	<u>50,553</u>	<u>4,114,656</u>
<b>NET BOOK VALUE</b>					
At 31 August 2023	<u>-</u>	<u>6,215,737</u>	<u>75,604</u>	<u>20,832</u>	<u>6,312,173</u>
At 31 August 2022	<u>-</u>	<u>6,465,219</u>	<u>69,084</u>	<u>28,536</u>	<u>6,562,839</u>

Leasehold property has been pledged as security for a bank loan.

Fixed assets, included in the above, which are held under finance leases are as follows:

	Motor vehicles £
<b>COST</b>	
At 1 September 2022 and 31 August 2023	<u>29,760</u>
<b>DEPRECIATION</b>	
At 1 September 2022	4,464
Charge for year	4,464
At 31 August 2023	<u>8,928</u>
<b>NET BOOK VALUE</b>	
At 31 August 2023	<u>20,832</u>
At 31 August 2022	<u>25,296</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	7,293	11,486
Other debtors	1,170	-
Prepaid expenses	<u>124,355</u>	<u>59,320</u>
	<u>132,818</u>	<u>70,806</u>

17. CURRENT ASSET INVESTMENTS

	2023 £	2022 £
Fixed term deposit	<u>200,000</u>	<u>-</u>

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023**

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Bank loans and overdrafts (see note 20)	150,000	150,000
Finance leases (see note 21)	4,869	4,670
Trade creditors	128,735	97,360
Social security and other taxes	54,299	52,037
Other creditors	31,946	42,405
Fee deposits	39,000	48,000
Fees received in advance	651,569	742,630
Accrued expenses	<u>85,529</u>	<u>36,834</u>
	<u>1,145,947</u>	<u>1,173,936</u>

**19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023	2022
	£	£
Bank loans (see note 20)	2,700,000	2,850,000
Finance leases (see note 21)	10,369	15,238
Long term fee deposits	280,949	268,632
Fees received in advance	<u>28,590</u>	<u>183,345</u>
	<u>3,019,908</u>	<u>3,317,215</u>

**20. LOANS**

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>150,000</u>	<u>150,000</u>
	<u>150,000</u>	<u>150,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>2,700,000</u>	<u>2,850,000</u>

Interest is charged at a fixed rate of 4.01% and is interest only until 28 June 2022 and which point capital repayments start. The loan is repayable after 5 years and will be refinanced at that stage.

The bank loan from Handelsbanken has been secured against the land registered with the title number K739282.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023

## 21. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Finance leases	
	2023	2022
	£	£
Gross obligations repayable:		
Within one year	5,412	5,412
Between one and five years	<u>10,825</u>	<u>16,237</u>
	<u>16,237</u>	<u>21,649</u>
Finance charges repayable:		
Within one year	543	742
Between one and five years	<u>456</u>	<u>999</u>
	<u>999</u>	<u>1,741</u>
Net obligations repayable:		
Within one year	4,869	4,670
Between one and five years	<u>10,369</u>	<u>15,238</u>
	<u>15,238</u>	<u>19,908</u>
		Non-cancellable operating leases
	2023	2022
	£	£
Within one year	246,247	214,547
Between one and five years	953,557	893,637
In more than five years	<u>2,803,899</u>	<u>4,122,057</u>
	<u>4,003,703</u>	<u>5,230,241</u>

The School operates from premises subject to a lease that expires in December 2041. The rent is reviewed every five years, the last review was concluded in January 2023. A phased increase in rent was agreed between September 2022 and June 2024, increasing from £183,600 per annum to £211,500 per annum from June 2024.

Included within operating leases is £3,854,644 (2022: £4,046,962) relating to land and building and £149,058 (2022: £75,095) relating to other commitments.

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

		Designated fixed asset fund	Restricted fund	2023 Total funds £	2022 Total funds £
	Unrestricted fund £	£	£		
Fixed assets	6,312,173	-	-	6,312,173	6,562,839
Current assets	(642,892)	3,666,630	58,614	3,082,352	2,558,154
Current liabilities	(1,145,947)	-	-	(1,145,947)	(1,173,936)
Long term liabilities	<u>(3,019,908)</u>	<u>-</u>	<u>-</u>	<u>(3,019,908)</u>	<u>(3,317,215)</u>
	<u>1,503,426</u>	<u>3,666,630</u>	<u>58,614</u>	<u>5,228,670</u>	<u>4,629,842</u>

23. MOVEMENT IN FUNDS

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
<b>Unrestricted funds</b>				
General fund	4,559,203	593,813	(3,649,590)	1,503,426
Designated fixed asset fund	<u>17,929</u>	<u>(889)</u>	<u>3,649,590</u>	<u>3,666,630</u>
	4,577,132	592,924	-	5,170,056
<b>Restricted funds</b>				
Restricted Fund	<u>52,710</u>	<u>5,904</u>	<u>-</u>	<u>58,614</u>
<b>TOTAL FUNDS</b>	<u>4,629,842</u>	<u>598,828</u>	<u>-</u>	<u>5,228,670</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	5,694,128	(5,100,315)	593,813
Designated fixed asset fund	<u>-</u>	<u>(889)</u>	<u>(889)</u>
	5,694,128	(5,101,204)	592,924
<b>Restricted funds</b>			
Restricted Fund	<u>5,904</u>	<u>-</u>	<u>5,904</u>
<b>TOTAL FUNDS</b>	<u>5,700,032</u>	<u>(5,101,204)</u>	<u>598,828</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023

## 23. MOVEMENT IN FUNDS - continued

## Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
<b>Unrestricted funds</b>			
General fund	4,198,528	360,675	4,559,203
Designated fixed asset fund	18,817	(888)	17,929
	4,217,345	359,787	4,577,132
<b>Restricted funds</b>			
Restricted Fund	33,445	19,265	52,710
	<u>4,250,790</u>	<u>379,052</u>	<u>4,629,842</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	5,314,211	(4,953,536)	360,675
Designated fixed asset fund	-	(888)	(888)
	5,314,211	(4,954,424)	359,787
<b>Restricted funds</b>			
Restricted Fund	19,266	(1)	19,265
	<u>5,333,477</u>	<u>(4,954,425)</u>	<u>379,052</u>

The restricted funds are held as part of the company's bank balance. The bursary fund represents a donation towards a bursary. Also a transfer from the general fund to the bursary fund was made during the year ended 31 August 2017. A separate bursary committee has been established to oversee this fund. The fund aims to support families who may succumb to unforeseen disasters such as sudden bereavement, divorce, redundancy or the collapse of a family business and will provide assistance in paying school fees.

The balance sheet has been amended to show the property assets of the school as distinct. This designated fixed asset fund equates to the net book value of the fixed assets of the school less the outstanding amount of bank loan.

## 24. CAPITAL COMMITMENTS

	2023 £	2022 £
Contracted but not provided for in the financial statements	<u>49,888</u>	<u>-</u>

The play equipment that we have on both the Prep and Pre-Prep sides of the school has reached the end of its life and we have committed to it being replaced in the beginning of the new school year. This will improve and build upon the facilities provided for the children to enjoy during break times as well as aiding their physical development.

25. OTHER FINANCIAL COMMITMENTS

**PENSION COMMITMENTS**

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 £222,556 (2022: £334,567) and at the year-end £26,281 (2022: £37,380) was accrued in respect of contributions to this scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

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

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

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

o employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)

o total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023**

**25. OTHER FINANCIAL COMMITMENTS - continued**

o the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Charity has accounted for its contributions to the scheme as if it were a defined contribution scheme.

**Government pension scheme**

The Charity pays pension contributions to into defined contribution pension schemes for those employees who do not participate in the TPS. The amount recognised as an expense in the year was £117,591 (2022: £13,887). The amount owed to the pension schemes at the year end was £5,665 (2022: £5,171).

**26. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 August 2023.

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

England & Wales - Charity number 1100021

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# Accounts

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REGISTERED COMPANY NUMBER: 03777308 (England and Wales)  
REGISTERED CHARITY NUMBER: 1100021

GOVERNORS' REPORT AND  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022  
FOR  
SEVENOAKS PREPARATORY SCHOOL LIMITED

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

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FOR THE YEAR ENDED 31 AUGUST 2022**

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**SEVENOAKS PREPARATORY SCHOOL LIMITED (REGISTERED NUMBER: 03777308)**

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

The governors who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2022. The governors have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The School seeks to provide an education for life. It aims to achieve this through the 'Way of Life', together with an academic approach that focuses on the needs of the individual. In addition, the School sets out to encourage every pupil to be the best they can be, both inside and outside the classroom. The School's ethos is central to its aims and emphasizes strong pastoral care of pupils, nurturing each one and supporting parents and children alike.

Our aims are:

- " to ensure the safeguarding of all pupils.
- " to afford all pupils opportunities to succeed both inside and outside the classroom.
- " to recruit and retain the highest calibre of teaching and support staff who embody our Way of Life.
- " to provide excellent pastoral care and nurture outstanding relationships between staff, pupils and parents.
- " to be a warm, friendly, family school.
- " to provide individualised learning which we believe is best provided for in small class sizes.
- " to utilise technology to aid student learning and to ensure that our ICT provision complements existing and future teaching strategies
- " to progress the School's commitment to bursaries.
- " to develop the School's involvement with local, national and international charities.
- " to maintain and enhance the school's environment and facilities.
- " to maintain a balanced budget approach to managing its financial resources and expenditures.

**Sevenoaks Prep "Way of Life"**

- " I ought to think at all times how my every action will affect others in my life: parents, friends, relations, teachers and everyone younger than myself.
- " I ought to treat all others as I would want to be treated myself, and take a personal interest in how other people feel.
- " I ought not to touch anything that is not mine, unless with permission or unless I am being helpful.
- " I ought to be polite to everybody at all times and be positive in my actions.
- " I ought to take responsibility for my own maturity by ensuring I assist in the smooth running of the school and my home.
- " I ought to take ownership of my studies, concentrating and applying myself to achieve to the best of my ability.
- " I ought to obey in the right spirit the instructions of my teachers and parents.
- " I ought to report immediately any damage or unfortunate behaviour to my teachers and/or my parents.
- " I ought to remember that in life my aim should be to solve problems not cause them, to build bridges rather than knock them down, to trust others and to be trusted, to put the needs of others first and mine last, to improve and make better whatever or whoever I am involved with.
- " I ought, at all times, to be totally honest to myself and to others.

**CHARITABLE OBJECTS**

The objects of the School as set out in the Articles of Association, are to establish and carry on in Great Britain (and any other countries) Schools at or by means of which students may obtain education and instructions in languages, mathematics, geography and history, and all other subjects whatsoever that may be included in a commercial, technical, scientific, classical or academic education.

In setting the objectives the governors have given careful consideration to the Charity Commissions' general guidance on public benefit.

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

**OBJECTIVES AND ACTIVITIES**

**Significant activities**

In the last week of the Spring term the school underwent an ISI Inspection as part of their scheduled plan of visiting all schools regularly. The governors are pleased to report that the Inspectors reflected the hard work and dedication of the school and its staff by rating the school as "Excellent" in every area of the inspection. The inspection was a thorough and rigorous process; inspectors took time to review our school website, policies and procedures, and thoroughly examined our procedures relating to safeguarding, health and safety. When determining the outcome of the quality of the education we provide, inspectors took the time to meet with pupils, interview staff, visit assemblies, observe extra-curricular clubs, as well as visit many lessons across the whole school, scrutinise work in pupils' books and review our pupil achievement data. In addition, the results of the pupil, staff and parent questionnaires were considered. All of these activities enabled the inspecting team to get a holistic, honest and accurate reflection of Sevenoaks Prep.

**Arts**

The choir initially sang outside at both our family day and the Christmas Bazaar and we put on an outdoor Carols by Candlelight concert to avoid infection. However, as the year went on we were again able to have music concerts right the way through the whole school to show case children's talents on instruments and in singing. That singing was put to good use in the pre-prep's summer show as well as the middle school's production of "Matilda". The upper school play was an ambitious production of an adaptation of "Pride and Prejudice" and we turned to 1980s sitcoms for our house drama competition. Our Art scholars were lucky enough to visit a variety of exhibitions to enhance their studies and the School's entry in the DSWF Global canvas art competition was a finalist.

**Sports**

It was lovely for the whole school to get back into the swing of full sports matches and training this year. The term started in September with a couple of days of pre-season training. The girls took part in hockey practice and the boys football, which was well attended. The games staff also had some professional hockey training.

**Football**

The boys were successful in the early season Colts tournaments winning the A and B team tournaments with a number of teams finishing 2nd. Success was also gained at the St Michael's tournament with the Colts winning the plate competition. The senior 2nd and Year 4 teams also had very strong seasons winning the majority of their matches.

**Hockey**

Hockey at The School continues to strengthen; Year 3 and 4 girls started the Autumn straight back into hockey with lots of mini matches and triangular tournaments against local prep schools.

Year 5 had a great season thoroughly enjoying the opportunity to take part in regular fixtures against other schools.

The Year 6 girls showed excellent progress and improvement in the sport with their teamwork, sportsmanship, and work rate both in training and in matches being of note. A particular highlight for U11A team was coming third in the IAPS tournament in Eastbourne.

Year 7 and 8 girls played their hockey together as an U13 group. They trained at Hollybush and played many matches against local schools.

Hockey was also introduced into the Year 2 Games syllabus to invest in our future teams, and we were able to have a very successful afternoon with The Schools of Somerhill, playing lots of mini matches at the end of the Spring Term. Our Year 8 girls accompanied us to help coach, motivate and umpire the younger players.

**Netball**

The Netball season got off to a cracking start in January, with some netball specialist teachers from Mayfield School coming in to do some coaching sessions with all pupils in Years 3-8 and games staff. We were put through our paces with some footwork, passing and game play strategies: a brilliant way to start our season.

This year we introduced Bee Netball to Year 3 & 4 - a five aside game which gives pupils the opportunity to play and understand all positions. The girls had lots of fun, learning, and improving their netball skills and knowledge. Towards the end of the season, Year 4 transitioned to full seven aside netball in preparation for Year 5.

It was a delight to be able to run the U9 Netball Tournament at The School for the first time since restrictions were lifted. We welcomed six schools and had a fantastic afternoon with lots of excellent netball being played. The school entered teams in competitive tournaments at both Sevenoaks School and St Michael's, and the teams played some good netball and got stronger as the tournaments went on.

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

**OBJECTIVES AND ACTIVITIES**

**Cross Country**

The cross-country season was very successful. The School achieved a notable first as the only other school than Dulwich Prep to win the Brenchley Relay trophy in over 30 years of competition. Success was also gained individually with several pupils winning races and finishing in the top 10, as well as some team successes. This was testament to the hard work of the pupils with over 50 pupils attending running club every week.

We were pleased to run the Thomas Trophy at The School this year although it was delayed until March. The event was attended by around 400 pupils from over 14 different schools and with the introduction of timing chips was a huge success.

**Rugby**

This year was led by a very strong Senior 1st team who went the season unbeaten and lifted the Culley Cup 7's title. Several of this team have gone on to represent Tonbridge Boys U14 A teams. The U11A came agonisingly close to winning the Oldroyd 7's, failing by centimetres to get the ball over for what would have been a winning try. It was great to be able to host these two tournaments again.

**Cricket**

After the success of last years mixed senior cricket, we embarked on an ambitious project of having totally mixed cricket here at Sevenoaks Prep. All our training and matches from Year 3 to Year 8 were combined girls and boys which was well received by all pupils involved. Despite the logistical struggles organising fixtures and transport it was well worth it and will hopefully lead the way for other schools to follow.

**Athletics**

We had a busy athletics term with a very successful sports day combining both Prep and Pre Prep for the return of the Saturday Sports Day. Years 3-8 also had an athletics day where they competed in a number of athletics events for their houses. We had a number of students who attended the District athletics championships at Medway park on a scorching day in June with two pupils winning their event which qualified them to attend the national championships in Birmingham. Both Pupils performed extremely well and we are very proud of their efforts.

**Trips and Workshops**

Following the lifting of Covid restrictions we have been able to schedule many more trips and workshops for the children over the year, some of which are listed below:

The Royal Observatory in Greenwich  
Hastings  
Tonbridge Castle  
The British Museum  
Horton Kirkby Environmental Centre  
Science show at Sevenoaks School  
Bewl Water  
International Netball at the Copperbox  
The Curious Incident of the Dog in the Night time theatre production, Dartford  
The White Cliffs of Dover  
River Bourne  
Bushcraft  
Knole House

The children's learning is also supported during the year by putting on and attending a wide range of workshops, such as STEAM day, World Book Day, author visits, an interactive science day, Chinese New Year dance workshops, visiting performances of pantomimes, a zoo lab visit, a screen printing workshop, specialist netball tuition, a parkour workshop and the ever popular Duck Watch of hatching ducklings.

Our regular school events that involve our community of children, parents and staff got back underway including the Quiz Night, the Golf Day, Family Cricket Day, Prep Idol, Prepstock Festival, Grandparents Day, the Maypole Dancing, our Kindergarten Grand Prix, Family day and the Christmas Bazaar. In this jubilee year we also celebrated Her Majesty's reign with stamp designing competitions, plate painting and a truly memorable full school jubilee picnic on the sports fields.

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

**OBJECTIVES AND ACTIVITIES**

The school encourages a more environmental approach wherever it can, and this year has achieved Eco School status recognising the work that has been done by the children on our Eco Committee to reduce our impact on the environment. Alongside this, the whole school have benefitted from outdoor learning and use of our outdoor "forest" classroom. We have highly qualified specialist staff running these sessions which support children's independence and love of nature as well as teaching them new skills.

**Public benefit**

The School gives means tested financial assistance to the parents of some pupils who might otherwise find the full fee a limiting factor to sending and retaining their sons and daughters at the School.

The School works with educational establishments in the Maintained Sector to share resources and offer support such as using the School minibuses to drive Plaxtol primary school children to their swimming classes and to the pantomime at Christmas for instance. We also invite maintained schools to join cross country events. Our grounds and facilities are also used by St Olave's school to offer their children the opportunity to go on expeditions for their Duke of Edinburgh awards.

**Scholarships**

The following Scholarships were awarded to our pupils: -

- 3 Sports Scholarships / Exhibition
- 4 Academic Scholarship
- 4 Music Scholarship / Exhibition
- 1 Art Scholarship

**Destination Schools**

Pupils gained places at their chosen 11+ / 13+ senior independent schools and many were awarded places at two or more schools. This ranged across 12 different independent school and 4 grammar schools.

**FINANCIAL REVIEW**

**Financial position**

The income of the School arises from fees and donations received and interest earned on short term deposits with the bank.

The charitable expenditure is all met from this income. The governors consider the assets and the operation of the School are sufficient in the short term to maintain its obligations in full.

The total income during the year ended 31 August 2022 was £5,333,477 (2021: £4,908,812) and the expenditure was £4,954,425 (2021: £4,565,091) which resulted in a surplus for the year of £379,052 compared to a surplus of £343,721 generated in the previous year. All of the School's expenditure was spent in advancement of its charitable objectives.

**Investment policy and objectives**

The governors investment powers are governed by the Memorandum and Articles of Association which permit the governors to make any investments they deem fit. Most of the funds generated by the School are used in the short term in achieving the charitable aims and objectives. There are no funds available for external long term investments. Short term surplus funds are held on deposit with the bank.

**Reserves policy**

The governors have a policy of achieving an operational surplus to continue to invest in maintaining educational facilities that meet and exceed the current recommendations and standards.

It is the School's policy to hold unrestricted cash reserves equal to at least three months budgeted expenditure, which equates to between £1.1m and £1.25m.

The School holds restricted funds of £52,710 (2021: £33,445) which have been donated for the funding of bursaries. Unrestricted funds of £4,577,132 (2021: £4,217,345) allow the school to carry out it's charitable objectives. The total funds held were £4,629,842 (2021: £4,250,790).

**SEVENOAKS PREPARATORY SCHOOL LIMITED (REGISTERED NUMBER: 03777308)**

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

**FUTURE PLANS**

The completion of the planned improvements to the Pre-Prep will now be scheduled to ensure that we continue to provide high quality facilities for all of our children

**REPORTABLE INCIDENTS**

There have been no reportable incidents.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**Appointment and re-appointment of governors**

The Articles of Association allow for there to be between seven and twenty appointed governors. There are currently 13 on the Board. Governors are appointed by the existing Board members in the first instance and they are re appointed for 3 years and can serve up to a maximum of 3 terms of 3 years unless there are extenuating circumstances.

**Organisational structure**

None of the governors has any beneficial interest in the company. All the governors are members of the company and guarantee to contribute £10 in the event of a winding up

The board of governors met once per term on 13 October 2021, 17 March 2022 and 10 June 2022.

The main Sub Committee of the governors is the Executive Committee which meets once a month to discuss the day to day matters concerned with the running of the School. Major items are passed to the Main Board for discussion, with the Executive Committee's recommendations. The Chairman and Vice Chairman sit on this Committee with the Headmaster, Bursar, Deputy Head and Head of Pre-Prep in attendance.

The other permanent Sub Committees are as follows:

Academic Committee	C Jones Chair
Finance and Risk Committee	J Berry Chair
Bursary Committee	C Sutton-Mattocks Chair

The governors bring many years of experience in a wide variety of professional fields, such as finance, education and medicine. The "day to day" running of the School is delegated to the Headmaster Luke Harrison and the Bursar, Elizabeth Walsh. They work in cooperation with the Senior Management Team, who are the Deputy Head, Head of Pre-Prep, Assistant Heads and Head of Early Years.

**Induction and training of new governors**

The school has appointed one new governor during the year, and he has benefited from online training including safeguarding training. The chair of governors attended the Association of Governing Bodies of Independent Schools (AGBIS) conference.

The cost of governors' courses to the School during the year was £195.

**Key management remuneration**

In line with pay for all staff, key management pay is considered by the governors' Finance and Risk Committee who make recommendations to the full board. In deciding the level of remuneration, the committee consider the current market demand for pupils, the financial strength of the School and the economic outlook. The key management roles are detailed in note 12 of the accounts.

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

**STRUCTURE, GOVERNANCE AND MANAGEMENT  
COMMUNITY LINKS AND PUBLIC BENEFIT**

Part of the School's aims is to develop involvement with local, national and international charities, and with the relaxing of Covid restrictions it was possible to combine celebrating coming together again with raising funds for those in need. During the school year we have collected food bank donations for Sevenoaks Larder, and the children, parents and staff worked to raise money for local charities such as Friends for Families and by donating Christmas gifts to the Salvation Army. We supported raising money for national charities such as Macmillan Cancer, the Poppy Appeal and the Red Cross Appeal for Ukraine, and Internationally as we raised and donated funds to Phoenix Football Academy in Ghana, the Haller Community charity in Kenya and We See Hope in Kenya, Malawi, Tanzania, Uganda and Zimbabwe.

During each school holiday we host a variety of clubs and activities run by external providers to offer fun and challenging experiences and in holiday childcare to all working families whether they attend our school or not.

**Engagement with employees**

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees has continued at all levels with the aim of taking their views into account when decisions are made that are likely to affect their interests. The staff council continued to be consulted and to contribute suggestions to the executive.

**Risk management**

Sevenoaks Prep School Board of governors is responsible for the management of the risks faced by the School. Risks are identified, assessed and controls established throughout the year. The full Risk register is reviewed annually by the Finance and Risk sub committee of the Board and it is a standing item on their termly agenda.

The governors consider the major potential risks to the School to be:

- " A challenging economic environment adversely affecting pupil numbers & fee levels.
- " Inflationary pressures on certain costs.
- " Competition from both independent and state schools for pupils.
- " Ensuring Safeguarding & Inspection in an increasingly regulated environment.

The key controls used by the School to mitigate risks include:

- " Formal agenda for Committee and Board activities.
- " Detailed Terms of reference for all Committees.
- " Comprehensive strategic planning, budgeting and management accounting.
- " Established organisational structure and lines of reporting.
- " Formal written policies.
- " Robust scrutiny of policies.
- " Clear authorisation and approval levels.
- " Safer recruitment as required by law for the protection of the vulnerable.
- " Staff training, Child Protection and safeguarding.
- " Data protection measures in place to protect the cyber security of School data including restriction of access authentication, the holding of back-ups and purchase of insurance

Through the risk management processes established by the School, the governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that the systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

**SEVENOAKS PREPARATORY SCHOOL LIMITED (REGISTERED NUMBER: 03777308)**

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Bursary Policy**

This year the Charity awarded Bursaries of £39,330 (0.75% of fee income) 2021: £84,871 (1.7% of fee income) from unrestricted funds. The governors' policy, in line with that of most other independent schools, is to award Bursaries on the basis of need. All Bursaries are means tested on application.

A Bursary fund has been established and is overseen by a subcommittee of 3 governors, the Head and the Bursar. Our aim is to build up a fund which will support a child attend the School. This would be over and above the funds already set aside by the School.

**Pension schemes**

The School participates in the Teachers' Pension Scheme (TPS) for its teaching Staff and an auto enrolment scheme run by People's Pensions for support staff.

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

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The current employer contribution rate for the TPS is 23.68%. Following the completion of a consultation process the governors have limited the contribution as employers to 20.1% from September 2022 and have provided a Total Remuneration Package (TRP) which gives teachers the option to teachers of either remaining in the TPS or joining an alternative defined contribution pension.

For the Support Staff Pension administered by the People's Pension the employer contribution was 3%. The employee rate increased to 5% on 6th April 2019.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
03777308 (England and Wales)

**Registered Charity number**  
1100021

**Registered office**

Fawke Cottage  
Godden Green  
Sevenoaks  
Kent  
TN15 0JU

**Trustees**

Chairman - Ms J S Berry  
Vice Chairman - E Oatley  
Dr S Bailey (appointed 24.11.21)  
R Burgess  
Dr M J Carboni  
P Cheveley  
T C Dickinson  
A Durtnell  
A G Fernando (resigned 13.10.21)  
Mrs T L Hornshaw  
Mrs M L Ismail  
C Jones (appointed 18.3.21)  
K R Rush  
C J Sutton-Mattocks (resigned 23.11.22)  
P D Wiltshire (resigned 13.10.21)  
Mrs A M Stuart (appointed 12.10.22)

**SEVENOAKS PREPARATORY SCHOOL LIMITED (REGISTERED NUMBER: 03777308)**

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Company Secretaries**

Miss M Peirce  
Mrs E Walsh

**Auditors**

Azets Audit Services  
Greytown House  
221-226 High Street  
Orpington  
Kent  
BR6 0NZ

**Solicitors**

Thackray Williams  
Kings House  
32-40 Widmore Road  
Bromley  
Kent  
BR1 1RY

**Bankers**

Handelsbanken  
Sevenoaks Branch  
1st Floor  
50-52 London Road  
Bligh's Meadow  
Sevenoaks  
Kent  
TN13 1AS

**Senior Leadership Team**

Headmaster - Luke Harrison  
Bursar - Elizabeth Walsh  
Deputy Head - James Ashcroft  
Head of Pre-Prep - Helen Cook  
Assistant Head - key stage 3/Director of Admissions - Clare Harrison  
Assistant Head - key stage 2 - Robin Collings  
Assistant Head - key stage 1 - Shannon Wake  
Head of Learning Support SENco - Helen Shere  
Head of Early Years - Louisa Rowland

**STATEMENT OF GOVERNORS' RESPONSIBILITIES**

The governors (who are also the directors of Sevenoaks Preparatory School Limited 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) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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 charitable company for that period. In preparing those financial statements, the governors are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

SEVENOAKS PREPARATORY SCHOOL LIMITED (REGISTERED NUMBER: 03777308)

GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022

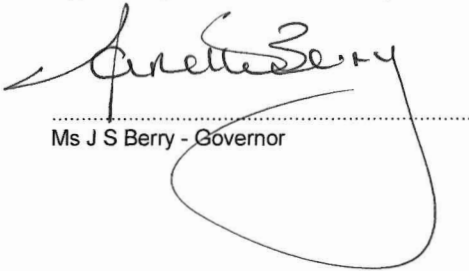
**STATEMENT OF GOVERNORS' RESPONSIBILITIES - continued**

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 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.

In so far as the governors are aware:

- there is no relevant audit information of which the charitable 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.

Approved by order of the board of governors on 16-3-23 and signed on its behalf by:



.....  
Ms J S Berry - Governor

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SEVENOAKS PREPARATORY SCHOOL LIMITED**

### **Opinion**

We have audited the financial statements of Sevenoaks Preparatory School Limited (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2022 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' 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 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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Report has been prepared in accordance with applicable legal requirements.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SEVENOAKS PREPARATORY SCHOOL LIMITED

### 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.

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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the governors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the governors' Report.

### Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, 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 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.

### Our 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 a Report of the Independent Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

- o Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- o Reviewing minutes of meetings of those charged with governance;
- o Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- o Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- o Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
SEVENOAKS PREPARATORY SCHOOL LIMITED**

**Use of our report**

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

*Azets Audit Services Limited*

M Wilkes FCA (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services  
Greytown House  
221-226 High Street  
Orpington  
Kent  
BR6 0NZ

Date: 6 April 2023.....

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	38,217	19,200	57,417	56,290
<b>Charitable activities</b>					
Education	5	5,265,499	-	5,265,499	4,840,623
Other trading activities	3	2,636	-	2,636	11,618
Investment income	4	2,974	66	3,040	281
Other income		4,885	-	4,885	-
<b>Total</b>		<u>5,314,211</u>	<u>19,266</u>	<u>5,333,477</u>	<u>4,908,812</u>
<b>EXPENDITURE ON</b>					
Raising funds	6	17,482	-	17,482	500
<b>Charitable activities</b>					
Education	7	4,936,346	1	4,936,347	4,562,299
Other		596	-	596	2,292
<b>Total</b>		<u>4,954,424</u>	<u>1</u>	<u>4,954,425</u>	<u>4,565,091</u>
<b>NET INCOME</b>		359,787	19,265	379,052	343,721
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		4,217,345	33,445	4,250,790	3,907,069
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>4,577,132</u>	<u>52,710</u>	<u>4,629,842</u>	<u>4,250,790</u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

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

The notes form part of these financial statements

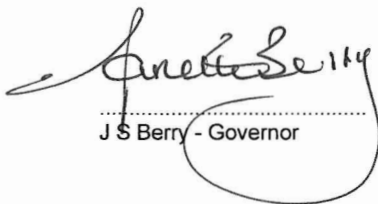
SEVENOAKS PREPARATORY SCHOOL LIMITED (REGISTERED NUMBER: 03777308)

STATEMENT OF FINANCIAL POSITION  
31 AUGUST 2022

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible assets	15	6,562,839	6,948,582
<b>CURRENT ASSETS</b>			
Debtors	16	70,806	71,622
Cash at bank		2,487,348	1,809,766
		<u>2,558,154</u>	<u>1,881,388</u>
<b>CREDITORS</b>			
Amounts falling due within one year	17	(1,173,936)	(1,059,029)
<b>NET CURRENT ASSETS</b>		<u>1,384,218</u>	<u>822,359</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		7,947,057	7,770,941
<b>CREDITORS</b>			
Amounts falling due after more than one year	18	(3,317,215)	(3,520,151)
<b>NET ASSETS</b>		<u>4,629,842</u>	<u>4,250,790</u>
<b>FUNDS</b>	22		
Unrestricted funds		4,577,132	4,217,345
Restricted funds		52,710	33,445
<b>TOTAL FUNDS</b>		<u>4,629,842</u>	<u>4,250,790</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Governors and authorised for issue on 16.3.23 and were signed on its behalf by:

  
J S Berry - Governor

The notes form part of these financial statements

SEVENOAKS PREPARATORY SCHOOL LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	682,527	1,035,573
Interest element of finance lease payments paid		(596)	-
Net cash provided by operating activities		<u>681,931</u>	<u>1,035,573</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(32,182)	(179,816)
Sale of tangible fixed assets		4,885	(1,675)
Interest received		3,040	281
Net cash used in investing activities		<u>(24,257)</u>	<u>(181,210)</u>
<b>Cash flows from financing activities</b>			
New finance leases		19,908	-
Net cash provided by financing activities		<u>19,908</u>	<u>-</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		677,582	854,363
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
		<u>1,809,766</u>	<u>955,403</u>
<b>Cash and cash equivalents at the end of the reporting period</b>			
		<u><u>2,487,348</u></u>	<u><u>1,809,766</u></u>

The notes form part of these financial statements

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	379,052	343,721
<b>Adjustments for:</b>		
Depreciation charges	417,925	432,160
(Profit)/loss on disposal of fixed assets	(4,885)	2,292
Interest received	(3,040)	(281)
Interest element of hire purchase and finance lease rental payments	596	-
Decrease in debtors	816	305,504
Decrease in creditors	(107,937)	(47,823)
<b>Net cash provided by operations</b>	<u>682,527</u>	<u>1,035,573</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.21 £	Cash flow £	At 31.8.22 £
<b>Net cash</b>			
Cash at bank	1,809,766	677,582	2,487,348
	<u>1,809,766</u>	<u>677,582</u>	<u>2,487,348</u>
<b>Debt</b>			
Finance leases	-	(19,908)	(19,908)
Debts falling due within 1 year	-	(150,000)	(150,000)
Debts falling due after 1 year	(3,000,000)	150,000	(2,850,000)
	<u>(3,000,000)</u>	<u>(19,908)</u>	<u>(3,019,908)</u>
<b>Total</b>	<u>(1,190,234)</u>	<u>657,674</u>	<u>(532,560)</u>

The notes form part of these financial statements

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Sevenoaks Preparatory School Limited is governed under its Memorandum and Articles of Association. The address of the principal office is given in the information on page 7 of these financial statements. The nature of the School's operations and principal activities are set out on pages 1 to 4.

The School constitutes a public benefit entity as defined by FRS 102. 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 & Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

##### **Useful economic lives of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment, and note 1 for the useful economic lives for each class of assets.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

School fee income is accounted for on a receivable basis and consists of charges billed for the school year ended 31 August, less bursaries and allowances. No value added tax is chargeable on the fees rendered. Fees received in advance for education to be provided in future years are carried forward as deferred income.

Donations are accounted for once the school has entitlement to the gift, it is probable that the income will be received, and the amount can be measured reliably.

Investment income is accounted when it is receivable, and the amount can be measured reliably.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

#### 1. ACCOUNTING POLICIES - continued

##### **Expenditure and irrecoverable value added tax (vat)**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

The irrecoverable element of value added tax is included with the related expense.

Administration costs are allocated to the cost of raising funds and charitable activities on the basis of an appropriate apportionment of resources and activities.

Governance costs have been allocated in line with administration costs and include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

##### **Funds**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the governors.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all fixed assets at rates calculated to write off their cost, less estimated residual value, over their expected useful lives by equal annual instalments as follows:

Capitalised finance lease for classrooms - 10% on cost  
Improvements to leasehold property - 4 to 10% on cost  
Fixtures and fittings - 25% on cost and 20% on cost  
Motor vehicles - 15% on cost

It is the school's policy to capitalise all items of a capital nature over £500.

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

Impairment reviews are carried out if events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When an impairment review is necessary the carrying amount of an asset is compared with the higher of its net realisable value and value in use and any permanent diminution in value is written off to the Statement of Financial Activities.

##### **Taxation**

The charity is exempt within the meaning on schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in paragraph 1 schedule 6 to the Finance Act 2020 and therefore meets the definition of a charitable company for UK tax purposes.

##### **Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the Statement of Financial Position. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2022**

**1. ACCOUNTING POLICIES - continued**

**Donations of goods, services and facilities**

Donated goods, professional services and facilities are recognised as income when the school has control over the item or has received the service, any conditions associated with the donation have been met, the receipt of the economic benefit from the use of an item by the school is probable, and that economic benefit can be measured reliably.

On receipt, donated goods, professional services and facilities are recognised on the basis of the value of the gift to the school which is the amount the school would have been willing to pay to obtain the goods, services or facilities on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. Goods donated for on-going use by the school in carrying out its day to day activities are recognised as tangible fixed assets.

**Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Creditors and provisions**

Creditors and provisions are recognised when 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.

**Financial instruments**

The school only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

Many of the teaching staff are members of the Teachers' Pension Scheme (TPS), a defined benefit scheme administered by the Teachers' Pension Agency. The Teachers' Pension Scheme is a multi-employer pension scheme which is unfunded. Actuarial valuations are carried out on a notional set of investments.

The school is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, under FRS102, the scheme is accounted for as if it were a defined contributions scheme. The school's contributions, which are in accordance with the recommendations of the Government Actuary, are charged to the Statement of Financial Activities in the period in which the salaries to which they relate are payable.

The school also contributes to personal pension schemes for other teachers and non-teaching staff. These schemes are defined contribution schemes. The assets of the schemes are held separately from those of the school in independently administered funds. Contributions payable for the year are charged to the Statement of Financial Activities. The school has no other liabilities under these schemes.

**Employee benefits**

Short term employee benefits including holiday pay are recognised in the Statement of Financial Activities in the period in which the service is rendered. Termination benefits are accounted for on an accrual basis and in accordance with FRS102.

**Public benefit**

The school is a Public Benefit Entity

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2022

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Donations	33,451	19,200	52,651	33,093
Gift aid	4,766	-	4,766	23,197
	<u>38,217</u>	<u>19,200</u>	<u>57,417</u>	<u>56,290</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
External hire	2,636	-	2,636	2,438
CJRS Furlough grant claims	-	-	-	9,180
	<u>2,636</u>	<u>-</u>	<u>2,636</u>	<u>11,618</u>

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Deposit account interest	2,974	66	3,040	281
	<u>2,974</u>	<u>66</u>	<u>3,040</u>	<u>281</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022 £	2021 £
School fees	Education	5,372,877	5,130,648
Registration fees	Education	6,310	10,377
Bursaries, scholarships and discounts	Education	(141,343)	(299,722)
School shop	Education	27,655	(680)
		<u>5,265,499</u>	<u>4,840,623</u>

6. RAISING FUNDS

Raising donations and legacies

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Fundraising costs	17,482	-	17,482	500
	<u>17,482</u>	<u>-</u>	<u>17,482</u>	<u>500</u>

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2022**

**7. CHARITABLE ACTIVITIES COSTS**

		Support costs (see note 8) £
Education		<u>4,936,347</u>

**8. SUPPORT COSTS**

	Finance £	Welfare costs £	Development costs £	Teaching costs £
Education	<u>123,246</u>	<u>300,323</u>	<u>31,518</u>	<u>2,839,778</u>
	Premises costs £	Support costs £	Governance costs £	Totals £
Education	<u>1,104,178</u>	<u>509,188</u>	<u>28,116</u>	<u>4,936,347</u>

**9. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Depreciation - owned assets	413,461	432,160
Depreciation - assets on hire purchase contracts and finance leases	4,464	-
Hire of plant and machinery	35,705	25,614
Other operating leases	214,579	211,828
Surplus/(deficit) on disposal of fixed assets	<u>(4,885)</u>	<u>2,292</u>

**10. AUDITORS' REMUNERATION**

Auditors' remuneration for the year totalled £9,315 (2021: £8,760).

**11. GOVERNORS' REMUNERATION AND BENEFITS**

None of the governors (or any persons connected with them) received any remuneration or other benefits from any employment with the school during the current or previous year.

No amounts were due to or from the governors at the balance sheet date (2020: £nil).

**Governors' expenses**

	2022 £	2021 £
Trustees' expenses	<u>448</u>	<u>371</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2022

12. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	2,434,749	2,339,241
Social security costs	245,024	219,556
Other pension costs	358,116	327,614
	<u>3,037,889</u>	<u>2,886,411</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Employees	<u>82</u>	<u>85</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
£60,001 - £70,000	-	2
£70,001 - £80,000	3	1
£90,001 - £100,000	1	1
	<u>4</u>	<u>4</u>

Contributions totalling £55,716 (2021: £39,092) were made during the year to pension schemes on behalf of employees whose employee benefits exceed £60,000.

The key management personnel of the school comprise the Headmaster, the Bursar, the Deputy Head, the Head of Pre-Prep, the Head of Learning Support SENco, Assistant Heads and the Head of Early Years. The total employee benefits including pension contributions for the key management personnel were £743,025 (2021: £631,341).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	50,891	5,399	56,290
<b>Charitable activities</b>			
Education	4,840,623	-	4,840,623
Other trading activities	11,618	-	11,618
Investment income	278	3	281
<b>Total</b>	<u>4,903,410</u>	<u>5,402</u>	<u>4,908,812</u>
<b>EXPENDITURE ON</b>			
Raising funds	500	-	500
<b>Charitable activities</b>			
Education	4,562,299	-	4,562,299
Other	2,292	-	2,292
<b>Total</b>	<u>4,565,091</u>	<u>-</u>	<u>4,565,091</u>
<b>NET INCOME</b>	338,319	5,402	343,721

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2022**

**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted fund £	Total funds £
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	3,879,026	28,043	3,907,069
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>4,217,345</u>	<u>33,445</u>	<u>4,250,790</u>

**14. LEGAL STATUS**

The company, which is registered in England & Wales, is limited by guarantee and has no share capital. The liability of the members in the event of a winding up is limited to £10 each per member.

No one party has overall control of the school.

**15. TANGIBLE FIXED ASSETS**

	Capitalised finance lease for classrooms £	Improvements to leasehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 September 2021	134,026	9,122,374	910,906	69,948	10,237,254
Additions	-	-	2,422	29,760	32,182
Disposals	-	-	-	(20,223)	(20,223)
At 31 August 2022	<u>134,026</u>	<u>9,122,374</u>	<u>913,328</u>	<u>79,485</u>	<u>10,249,213</u>
<b>DEPRECIATION</b>					
At 1 September 2021	134,026	2,305,003	784,150	65,493	3,288,672
Charge for year	-	352,152	60,094	5,679	417,925
Eliminated on disposal	-	-	-	(20,223)	(20,223)
At 31 August 2022	<u>134,026</u>	<u>2,657,155</u>	<u>844,244</u>	<u>50,949</u>	<u>3,686,374</u>
<b>NET BOOK VALUE</b>					
At 31 August 2022	<u>-</u>	<u>6,465,219</u>	<u>69,084</u>	<u>28,536</u>	<u>6,562,839</u>
At 31 August 2021	<u>-</u>	<u>6,817,371</u>	<u>126,756</u>	<u>4,455</u>	<u>6,948,582</u>

Leasehold property has been pledged as security for a bank loan.

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2022

15. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under finance leases are as follows:

	Motor vehicles £
<b>COST</b>	
Additions	29,760
<b>DEPRECIATION</b>	
Charge for year	4,464
<b>NET BOOK VALUE</b>	
At 31 August 2022	25,296
At 31 August 2021	-

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	11,486	21,194
Prepaid expenses	59,320	50,428
	<u>70,806</u>	<u>71,622</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Bank loans and overdrafts (see note 19)	150,000	-
Finance leases (see note 20)	4,670	-
Trade creditors	97,360	67,745
Social security and other taxes	52,037	54,035
Other creditors	42,405	39,934
Fee deposits	48,000	54,000
Fees received in advance	742,630	799,805
Accrued expenses	36,834	43,510
	<u>1,173,936</u>	<u>1,059,029</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2022

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022 £	2021 £
Bank loans (see note 19)	2,850,000	3,000,000
Finance leases (see note 20)	15,238	-
Long term fee deposits	268,632	253,526
Fees received in advance	183,345	266,625
	<u>3,317,215</u>	<u>3,520,151</u>

19. LOANS

An analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year on demand:		
Bank loans	<u>150,000</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>2,850,000</u>	<u>3,000,000</u>

Interest is charged at a fixed rate of 4.01% and is interest only until 28 June 2022 and which point capital repayments start. The loan is repayable after 5 years and will be refinanced at that stage.

The bank loan from Handelsbanken has been secured against the land registered with the title number K739282.

20. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Finance leases	
	2022 £	2021 £
Gross obligations repayable:		
Within one year	5,412	-
Between one and five years	<u>16,237</u>	<u>-</u>
	<u>21,649</u>	<u>-</u>
Finance charges repayable:		
Within one year	742	-
Between one and five years	<u>999</u>	<u>-</u>
	<u>1,741</u>	<u>-</u>
Net obligations repayable:		
Within one year	4,670	-
Between one and five years	<u>15,238</u>	<u>-</u>
	<u>19,908</u>	<u>-</u>

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2022**

**20. LEASING AGREEMENTS - continued**

	Non-cancellable operating leases	
	2022 £	2021 £
Within one year	214,547	207,104
Between one and five years	893,637	789,403
In more than five years	4,122,057	2,815,200
	<u>5,230,241</u>	<u>3,811,707</u>

The School operates from premises subject to a lease that expires in December 2041. The rent is reviewed every five years, the last review was concluded in January 2023. A phased increase in rent was agreed between September 2022 and June 2024, increasing from £183,600 per annum to £211,500 per annum from June 2024.

Included within operating leases is £4,046,962 (2021: £3,733,200) relating to land and building and £75,095 (£79,007) relating to other commitments.

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

	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
Fixed assets	6,562,839	-	6,562,839	6,948,582
Current assets	2,505,444	52,710	2,558,154	1,881,388
Current liabilities	(1,173,936)	-	(1,173,936)	(1,059,029)
Long term liabilities	(3,317,215)	-	(3,317,215)	(3,520,151)
	<u>4,577,132</u>	<u>52,710</u>	<u>4,629,842</u>	<u>4,250,790</u>

**22. MOVEMENT IN FUNDS**

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
<b>Unrestricted funds</b>			
General fund	4,198,528	360,675	4,559,203
Designated capital fund	18,817	(888)	17,929
	<u>4,217,345</u>	<u>359,787</u>	<u>4,577,132</u>
<b>Restricted funds</b>			
Restricted Fund	33,445	19,265	52,710
	<u>33,445</u>	<u>19,265</u>	<u>52,710</u>
<b>TOTAL FUNDS</b>	<u>4,250,790</u>	<u>379,052</u>	<u>4,629,842</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2022

22. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	5,314,211	(4,953,536)	360,675
Designated capital fund	-	(888)	(888)
	<u>5,314,211</u>	<u>(4,954,424)</u>	<u>359,787</u>
<b>Restricted funds</b>			
Restricted Fund	19,266	(1)	19,265
	<u>19,266</u>	<u>(1)</u>	<u>19,265</u>
<b>TOTAL FUNDS</b>	<u>5,333,477</u>	<u>(4,954,425)</u>	<u>379,052</u>

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
<b>Unrestricted funds</b>			
General fund	3,859,320	339,208	4,198,528
Designated capital fund	19,706	(889)	18,817
	<u>3,879,026</u>	<u>338,319</u>	<u>4,217,345</u>
<b>Restricted funds</b>			
Restricted Fund	28,043	5,402	33,445
	<u>28,043</u>	<u>5,402</u>	<u>33,445</u>
<b>TOTAL FUNDS</b>	<u>3,907,069</u>	<u>343,721</u>	<u>4,250,790</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	4,903,411	(4,564,203)	339,208
Designated capital fund	(1)	(888)	(889)
	<u>4,903,410</u>	<u>(4,565,091)</u>	<u>338,319</u>
<b>Restricted funds</b>			
Restricted Fund	5,402	-	5,402
	<u>5,402</u>	<u>-</u>	<u>5,402</u>
<b>TOTAL FUNDS</b>	<u>4,908,812</u>	<u>(4,565,091)</u>	<u>343,721</u>

The restricted funds are held as part of the company's bank balance. The bursary fund represents a donation towards a bursary. Also a transfer from the general fund to the bursary fund was made during the year ended 31 August 2017. A separate bursary committee has been established to oversee this fund. The fund aims to support families who may succumb to unforeseen disasters such as sudden bereavement, divorce, redundancy or the collapse of a family business and will provide assistance in paying school fees.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

#### 22. MOVEMENT IN FUNDS - continued

The designated capital fund relates to donations received in 2014 to assist with the redevelopment of the junior school. The redevelopment was completed during 2015 and all costs relating to the project were capitalised in the financial statements. A proportion of the depreciation of these costs is being charged to the designated fund each year.

#### 23. OTHER FINANCIAL COMMITMENTS

##### PENSION COMMITMENTS

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 £334,567 (2021: £302,998) and at the year-end £37,380 (2021: £36,252) was accrued in respect of contributions to this scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

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

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

##### Valuation of the Teachers' Pension Scheme

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2022**

**23. OTHER FINANCIAL COMMITMENTS - continued**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

o employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)

o total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million

o the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Charity has accounted for its contributions to the scheme as if it were a defined contribution scheme.

**Government pension scheme**

The Charity pays pension contributions to into defined contribution pension schemes for those employees who do not participate in the TPS. The amount recognised as an expense in the year was £13,887 (2021 - £24,617). The amount owed to the pension schemes at the year end was £5,171 (2021 - £5,483).

**24. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 August 2022.

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

England & Wales - Charity number 1100021

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# Accounts

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REGISTERED COMPANY NUMBER: 03777308 (England and Wales)  
REGISTERED CHARITY NUMBER: 1100021

GOVERNORS' REPORT AND  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021  
FOR  
SEVENOAKS PREPARATORY SCHOOL LIMITED

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

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FOR THE YEAR ENDED 31 AUGUST 2021**

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## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

The governors who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2021. The governors have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

#### OBJECTIVES AND ACTIVITIES

##### Objectives and aims

The school seeks to provide an education for life. It aims to achieve this through the Pre-Prep 'Golden Rules' and the 'Way of Life' in the Prep, together with an academic approach that focuses on the needs of the individual. In addition, the school sets out to encourage every pupil to be the best they can be, both inside and outside the classroom. The school's ethos is central to its aims and emphasizes strong pastoral care of pupils, nurturing each one and supporting parents and children alike.

Our aims are:

- " to ensure the safeguarding of all pupils.
- " to afford all pupils opportunities to succeed both inside and outside the classroom.
- " to recruit and retain the highest calibre of teaching and support staff who embody our Way of Life.
- " to provide excellent pastoral care and nurture outstanding relationships between staff, pupils and parents.
- " to be a warm, friendly, family school.
- " to provide individualised learning which we believe is best provided for in small class sizes.
- " to utilise technology to aid student learning and to ensure that our ICT provision complements existing and future teaching strategies
- " to progress the School's commitment to bursaries.
- " to develop the School's involvement with local, national and international charities.
- " to maintain and enhance the school's environment and facilities.
- " to maintain a balanced budget approach to managing its financial resources and expenditures.

Sevenoaks Prep "Way of Life"

- " I ought to think at all times how my every action will affect others in my life: parents, friends, relations, teachers and everyone younger than myself.
- " I ought to treat all others as I would want to be treated myself, and take a personal interest in how other people feel.
- " I ought not to touch anything that is not mine, unless with permission or unless I am being helpful.
- " I ought to be polite to everybody at all times and be positive in my actions.
- " I ought to take responsibility for my own maturity by ensuring I assist in the smooth running of the school and my home.
- " I ought to take ownership of my studies, concentrating and applying myself to achieve to the best of my ability.
- " I ought to obey in the right spirit the instructions of my teachers and parents.
- " I ought to report immediately any damage or unfortunate behaviour to my teachers and/or my parents.
- " I ought to remember that in life my aim should be to solve problems not cause them, to build bridges rather than knock them down, to trust others and to be trusted, to put the needs of others first and mine last, to improve and make better whatever or whoever I am involved with.
- " I ought, at all times, to be totally honest to myself and to others.

The School gives means tested financial assistance to the parents of some pupils who might otherwise find the full fee a limiting factor to sending and retaining their sons and daughters at the School.

The School works with educational establishments in the Maintained Sector, but the COVID pandemic and the infection controls that have been put in place have limited the amount that it has been possible to offer.

#### CHARITABLE OBJECTS

The objects of the School as set out in the Articles of Association, are to establish and carry on in Great Britain (and any other countries) Schools at or by means of which students may obtain education and instructions in languages, mathematics, geography and history, and all other subjects whatsoever that may be included in a commercial, technical, scientific, classical or academic education.

In setting the objectives the Governors have given careful consideration to the Charity Commissions' general guidance on public benefit.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

#### OBJECTIVES AND ACTIVITIES

##### Significant activities

Although the school began the academic year with everyone on site, as the pandemic restrictions were brought in the Government moved the school from the bubble restrictions back into a full lockdown after the Christmas break. Whilst the school continued to care for the children of key workers and the youngest classes of Nursery and Kindergarten on site, it also moved to offering remote learning for all children using a variety of platforms and programmes. The previous experience and feedback proved a useful building block to allow the school to improve the remote offering and increase the amount of live teaching provided remotely to children of all ages.

It was a joy to everyone that the children were allowed back on site for the last two weeks of the Spring term, and our older children adjusted well to the demands of face mask wearing and regular testing that were placed on them. The summer term continued to be restricted by the Government rules and the school overcame the disappointment caused by the delay in moving the Phase 4 of lockdown easing by switching to COVID restriction compliant sports days, concerts and assemblies in a mix of online and restricted attendance on-site events. This allowed our children to really showcase the hard work that they had put in both remotely and back at school.

The school is fortunate to benefit from extensive grounds and this outdoor space was utilised fully to ensure we were minimising the risk to our children and staff through infection control. The strength and commitment of the staff in responding to all the challenges and restrictions placed on them was exceptional and this resulted in the provision of an excellent standard of teaching through a variety of different mediums and particular attention to the children's welfare.

##### Arts

With the COVID restrictions affecting so many of our musical lessons and groups, the children really appreciated the opportunity to perform in small group and recorded concerts in the summer term to display their improvements and hard work.

##### Sports

We started back at school in September full of optimism and positivity to try and get Prep sport back with pupils returning to matches. These hopes were dashed slightly with the announcement of no fixtures or competitions. But, in typical Prep spirit the sport department set about putting an exciting programme in place for Games lessons that focused on skills coaching and fitness. The girls started on some hockey at the Hollybush Lane Astro turf and netball training in their year group bubbles alongside some fitness lessons. The boys did football training and although the fixtures were missed, the opportunity to train three hours a week enabled us to spend time not only improving the pupils' technical ability but working on our style of play, which we hope will be rewarded next football term.

Unfortunately, the Thomas Trophy was cancelled because of the restrictions, but the school staged a house cross country competition for Years 3-8 which we all thoroughly enjoyed. The winning house was Vine and runners up were Seal.

The New Year started with us all back in lockdown which put paid to the rugby and netball seasons but again the sport department set about planning live Games lessons in the form of Joe Wicks style routines and circuits. Lessons included fancy dress, army-themed drills, online Pilates, and fitness testing. Pre-prep children had the same opportunities in their Games lessons and Miss Ablett and Mrs Baker enjoyed doing some dance and gymnastics with the younger children in PE (Physical Education) as well. We were delighted to have the children back just before the Easter break and it gave us a chance to do some mixed hockey and football which included some year group house matches.

As we returned from the Easter holidays the summer term sun began to shine, the ground firmed up and the smell of fresh cut grass filled the air which not only signalled the start of spring but a long-anticipated cricket season. With fixtures back on the table we started the first term playing matches in our year group bubbles and we continued our journey towards fully integrated cricket between the boys and girls.

##### Trips and workshops

As we started the year, year 8 were able to take part in a river project trip, but increased restrictions and the full lockdown imposed on the school from January 2021 meant that eternal trips were severely curtailed. The school made the most of the wonderful grounds, allowing the children to go on walks and to investigate and enjoy the outdoors and natural world without moving beyond the school campus. Online events such as live lectures on the polluting of marine life by plastic also brought us together with other schools around the country.

Workshops continued to take place on site covering such topics as a whole school languages day, World War 2 themed days, and Clubs were maintained as much as possible and when lockdown was lifted, day trips were organised for Year 5 to go to Carrot Wood, year 6 to have their camping overnight at the school and year 7 and 8 going to Chessington. Year 8 managed a residential Bushcraft trip at the end of the summer term to finish their time at the school.

##### Volunteers

During the year the school accepted a volunteer work placement for a student on his gap year. The volunteer period was extended to cover the whole of the winter and spring term to Easter. In recognition of this extended period the governors made an ex-gratia payment of £3,000 in recognition of the volunteers hard work.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

#### OBJECTIVES AND ACTIVITIES

##### Scholarships

The following Scholarships were awarded to our pupils: -

13+

- 5 Sports Scholarships
- 3 Academic Scholarship
- 2 Drama Scholarships
- 1 All rounder scholarship
- 1 Music Scholarship

##### Destination Schools

Pupils gained places at their chosen 11+ / 13+ senior independent schools and many were awarded places at two or more schools. This ranged across 7 different independent school and 2 grammar schools.

#### FINANCIAL REVIEW

##### Financial position

The income of the School arises from fees and donations received and interest earned on short term deposits with the bank.

The charitable expenditure is all met from this income. The Governors consider the assets and the operation of the School are sufficient in the short term to maintain its obligations in full.

The total incoming resources during the year ended 31 August 2021 were £4,908,812 (2020: £4,566,672) and the resources expended were £4,557,187 (2020: £4,246,801) which resulted in a surplus for the year of £351,625 compared to a surplus of £319,871 generated in the previous year. All of the School's expenditure was spent in advancement of its charitable objectives.

##### Investment policy and objectives

The Governors investment powers are governed by the Memorandum and Articles of Association which permit the Governors to make any investments they deem fit. Most of the funds generated by the School are used in the short term in achieving the charitable aims and objectives. There are no funds available for external long term investments. Short term surplus funds are held on deposit with the bank.

##### Reserves policy

The Governors have a policy of achieving an operational surplus to continue to invest in maintaining educational facilities that meet and exceed the current recommendations and standards.

The School holds restricted funds of £33,445 (2020: £28,043) which have been donated for the funding of bursaries. Unrestricted funds of £4,217,345 (2020: £3,879,026) allow the school to carry out its charitable objectives. The total funds held were £4,250,790 (2020: £3,907,069).

#### FUTURE PLANS

Our Centenary Centre was completed in February 2020. This building provides teaching and communication space primarily for our year 6-8 students, in particular providing specialist space for Art, Science and Digital Learning.

The completion of the planned improvements to the Pre-Prep is planned, but this and other projects have been delayed by the COVID pandemic.

#### REPORTABLE INCIDENTS

There have been no reportable incidents.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### Appointment and re-appointment of Governors

The Articles of Association allow for there to be between seven and twenty appointed Governors. There are currently fourteen on the Board. Governors are appointed by the existing Board members in the first instance and they are re appointed for 3 years and can serve up to a maximum of 3 terms of 3 years unless there are extenuating circumstances.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Organisational structure

None of the Governors has any beneficial interest in the company. All the Governors are members of the company and guarantee to contribute £10 in the event of a winding up

The Board of Governors met once per term on 14 October 2020, 18 March 2021 and 11 June 2021.

The main Sub Committee of the Governors is the Executive Committee which meets once a month to discuss the day to day matters concerned with the running of the School. Major items are passed to the Main Board for discussion, with the Executive Committee's recommendations. The Chairman and Vice Chairman sit on this Committee with the Headmaster, Bursar, Deputy Head and Head of Pre-Prep in attendance.

The other permanent Sub Committees are as follows:

Academic Committee	D Wiltshire Chair
Appointments and Succession Planning	J Berry Chair
Finance and Risk Committee	J Berry Chair
Bursary Committee	C Sutton-Mattocks Chair

The Governors bring many years of experience in a wide variety of professional fields, such as finance, education, law, human resources and the law. The "day to day" running of the School is delegated to the Headmaster Luke Harrison and the Bursar, Elizabeth Walsh. They work in cooperation with the Senior Management Team, who are the Deputy Head, Head of the Pre-Prep, Assistant Heads and Deputy Head of Pre-Prep and Head of Learning Support SENco.

##### Induction and training of new Governors

Mrs T L Hornshaw, Mr P Cheveley and Mr K Rush attended a new Governors Course in November 2020.

K Rush attended an online course regarding "Creating an impactful leading edge learning experience" in January 2021

Mrs T L Hornshaw attended training on "Education Matters - action on the curriculum", and also an online Safeguarding course for Governors in March 2021.

A Governors Planning-Day was held in June 2021 and all Governors are made aware of briefing documents provided by AGBIS, ISBA and other recognised bodies.

The cost of Governors' courses to the School during the year was £320.

##### Key management remuneration

In line with pay for all staff, key management pay is considered by the Governors' Finance and Risk Committee who make recommendations to the full board. In deciding the level of remuneration, the Committee consider the current market demand for pupils, the financial strength of the School and the economic outlook. The key management roles are detailed in note 12 of the accounts.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

#### STRUCTURE, GOVERNANCE AND MANAGEMENT COMMUNITY LINKS AND PUBLIC BENEFIT

Due to the COVID restrictions there were much fewer opportunities to allow local organisations to use the grounds, however, we did manage to allow the following organisations which offer education to young people to use School facilities this year:

Offord Netball club summer training facility.  
Elite Sabre fencing school holiday training school  
Playball holiday clubs

During the year the school also supported local charities such as Friends for Families not only by fundraising but also by donating discontinued stocks of school uniform from the school shop. Another beneficiary of these stocks was the Rural Zimbabwe relief fund. Local food banks were supported by the school and its families, and staff raised money for both Macmillan and Alzheimers charities. Christmas presents were donated for the use of Salvation Army and many of the schools families participated in the local Sevenoaks litter picking weekend in March 2021.

The School offered Bursaries and Fees subsidies. 13 Pupils received Means Tested Bursaries of which:

2 were 60% of fees,  
8 were 50% of the fees,  
2 were 40% of the fees and  
1 was 25% of the fees.

Three Pupils received a Sibling Discount (5%).

Five members of staff act as Governors at other independent and maintained schools.

#### Engagement with employees

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees has continued at all levels with the aim of taking their views into account when decisions are made that are likely to affect their interests. The staff council continued to be consulted and to contribute suggestions to the executive.

#### Risk management

Sevenoaks Prep School Board of Governors is responsible for the management of the risks faced by the School. Risks are identified, assessed and controls established throughout the year. The Board reviews the full Risk Register annually at the autumn governor's meeting and Risk is a standing item on the agenda for other Board Meetings and all Executive Committee meetings.

The Governors consider the major potential risks to the School to be:

- " A challenging economic environment adversely affecting pupil numbers & fee levels.
- " Inflationary pressures on certain costs.
- " Competition from both independent and state schools for pupils.
- " Ensuring Safeguarding & Inspection in an increasingly regulated environment.

The key controls used by the School to mitigate risks include:

- " Formal agenda for Committee and Board activities.
- " Detailed Terms of reference for all Committees.
- " Comprehensive strategic planning, budgeting and management accounting.
- " Established organisational structure and lines of reporting.
- " Formal written policies.
- " Robust scrutiny of policies.
- " Clear authorisation and approval levels.
- " Safer recruitment as required by law for the protection of the vulnerable.
- " Staff training, Child Protection and safeguarding.

Through the risk management processes established by the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that the systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Bursary Policy

This year the Charity awarded Bursaries of £84,871 (1.7% of fee income) 2020: £57,908 (1.3% of fee income) from unrestricted funds. The Governors' policy, in line with that of most other independent schools, is to award Bursaries on the basis of need. All Bursaries are means tested on application.

A Bursary fund has been established and is overseen by a subcommittee of 3 Governors, the Head and the Bursar. Our aim is to build up a fund which will support a child attend the Prep. This would be over and above the funds already set aside by the School.

##### Asset cover for funds

Note 18 sets out an analysis of the assets attributable to the restricted and unrestricted funds and a description of the funds. These assets are considered sufficient to meet the Charity's obligations on a fund by fund basis.

##### Pension schemes

The School participates in the Teachers' Pension Scheme (TPS) for its teaching Staff and an auto enrolment scheme run by People's Pensions for support staff.

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

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The current employer contribution rate for the TPS is 23.68%. During the year the school began a consultation with those eligible for the scheme and their elected representative on a proposal from the Governors to limit contributions to the scheme and offer an alternative defined contribution pension. This consultation continued into the following academic year.

For the Support Staff Pension administered by the People's Pension the employer contribution was 3%. The employee rate increased to 5% on 6th April 2019.

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Registered Company number

03777308 (England and Wales)

##### Registered Charity number

1100021

##### Registered office

Fawke Cottage  
Godden Green  
Sevenoaks  
Kent  
TN15 0JU

##### Trustees

Ms J S Berry	- Chairman
Dr S Bailey (appointed 24.11.21)	
R Burgess	
Dr M J Carboni	
P Cheveley (appointed 14.10.20)	
T C Dickinson	
A Durnell	
A G Fernando (resigned 13.10.21)	
Mrs T L Hornshaw (appointed 14.10.20)	
Mrs M L Ismail	
C Jones (appointed 18.3.21)	
E Oatley	- Vice Chairman
K R Rush (appointed 14.10.20)	
C J Sutton-Mattocks	
P D Wiltshire (resigned 13.10.21)	

##### Company Secretaries

Miss M Peirce  
Mrs E Walsh

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Auditors**

Deeks Evans Audit Services Ltd  
First Floor, West Barn, North Firth Farm  
Ashes Lane  
Hadlow  
Tonbridge  
Kent  
TN11 9QU

**Solicitors**

Thackray Williams  
Kings House  
32-40 Widmore Road  
Bromley  
Kent  
BR1 1RY

**Bankers**

Handelsbanken  
Sevenoaks Branch  
1st Floor  
50-52 London Road  
Bligh's Meadow  
Sevenoaks  
Kent  
TN13 1AS

**STATEMENT OF GOVERNORS' RESPONSIBILITIES**

The governors (who are also the directors of Sevenoaks Preparatory School Limited 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) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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 charitable company for that period. In preparing those financial statements, the governors are required to

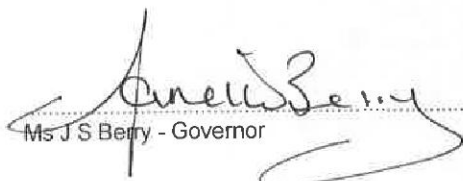
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 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.

In so far as the governors are aware:

- there is no relevant audit information of which the charitable 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.

Approved by order of the board of governors on 17th March 2021 and signed on its behalf by:

  
Ms J S Berry - Governor

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SEVENOAKS PREPARATORY SCHOOL LIMITED**

### **Opinion**

We have audited the financial statements of Sevenoaks Preparatory School Limited (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' 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 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 other information comprises the information included in the governors annual report, other than the financial statements and our auditor's report thereon.

The governors are responsible for the other information contained within the annual 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Report has 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.

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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the governors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the governors' Report.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
SEVENOAKS PREPARATORY SCHOOL LIMITED**

**Responsibilities of governors**

As explained more fully in the Statement of Governors' Responsibilities, 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 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.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SEVENOAKS PREPARATORY SCHOOL LIMITED

### Our 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 a Report of the Independent Auditors 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:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through verbal and written communications with those charged with governance and other management, and via inspection of the charitable company's regulatory and legal correspondence.

We discussed with those charged with governance and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations to our team and remained alert to any indicators of non-compliance throughout the audit, we also specifically considered where and how fraud may occur within the company.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements, including: the charitable company's constitution, relevant financial reporting standards and company law, and we assess the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on the amounts or disclosures in the financial statements, for instance through the imposition of fines and penalties, or through losses arising from litigation. We identified the following areas as those most likely to have such an affect: child safeguarding, adults at risk safeguarding, employment legislation, health and safety legislation, operating licences regarding the charitable company's operating premises, data protection legislation and anti-bribery and corruption legislation.

International Standards on Auditing (UK) limit the required procedures to identify non-compliance with these laws and regulations to the procedures, and no procedures over and above those already noted are required.

These limited procedures did not identify any actual or suspected non-compliance which laws and regulations that could have a material impact on the financial statements.

In relation to fraud, we performed the following specific procedures in addition to those already noted:

- " Identifying and testing journal entries, in particular any entries posted with unusual nominal ledger account combinations, journal entries crediting cash or any revenue account and journal entries posted by senior management;
- " Performing analytical procedures to identify unexpected movements in account balances which may be indicative of fraud; and
- " Ensuring that testing undertaken on transactions and the Balance Sheet includes a number of items selected on a random basis.

These procedures did not identify any actual or suspected fraudulent irregularity that could have a material impact on the financial statements.

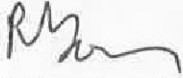
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with International Auditing Standards UK). For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the procedures that we are required to undertake would identify it. In addition, as with any audit, there remains a high risk of non-detection of irregularities, as these might involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal controls. We are not responsible for preventing non-compliance with laws and regulations or fraud, and cannot be expected to detect non-compliance with all laws and regulations or every incidence of fraud.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
SEVENOAKS PREPARATORY SCHOOL LIMITED**

**Use of our report**

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



Richard Young (Senior Statutory Auditor)  
for and on behalf of Deeks Evans Audit Services Ltd  
First Floor, West Barn, North Firth Farm  
Ashes Lane  
Hadlow  
Tonbridge  
Kent  
TN11 9QU

Date: 17<sup>th</sup> March 2022

SEVENOAKS PREPARATORY SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	50,891	5,399	56,290	79,575
<b>Charitable activities</b>					
Education	5	4,840,623	-	4,840,623	4,382,480
Other trading activities	3	11,618	-	11,618	102,537
Investment income	4	278	3	281	2,080
<b>Total</b>		<u>4,903,410</u>	<u>5,402</u>	<u>4,908,812</u>	<u>4,566,672</u>
<b>EXPENDITURE ON</b>					
<b>Raising funds</b>					
Raising donations and legacies	6	500	-	500	19,776
		<u>500</u>	<u>-</u>	<u>500</u>	<u>19,776</u>
<b>Charitable activities</b>					
Education	7	4,562,299	-	4,562,299	4,230,292
Other		2,292	-	2,292	(3,267)
<b>Total</b>		<u>4,565,091</u>	<u>-</u>	<u>4,565,091</u>	<u>4,246,801</u>
<b>NET INCOME</b>		<u>338,319</u>	<u>5,402</u>	<u>343,721</u>	<u>319,871</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>3,879,026</u>	<u>28,043</u>	<u>3,907,069</u>	<u>3,587,198</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>4,217,345</u></u>	<u><u>33,445</u></u>	<u><u>4,250,790</u></u>	<u><u>3,907,069</u></u>

The notes form part of these financial statements

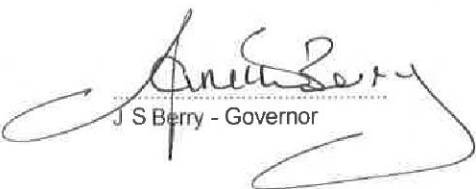
SEVENOAKS PREPARATORY SCHOOL LIMITED

STATEMENT OF FINANCIAL POSITION  
31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	15	6,948,582	-	6,948,582	7,201,543
<b>CURRENT ASSETS</b>					
Debtors	16	71,622	-	71,622	377,126
Cash at bank		1,776,321	33,445	1,809,766	955,403
		<u>1,847,943</u>	<u>33,445</u>	<u>1,881,388</u>	<u>1,332,529</u>
<b>CREDITORS</b>					
Amounts falling due within one year	17	(1,271,654)	-	(1,271,654)	(4,347,207)
<b>NET CURRENT ASSETS</b>					
		<u>576,289</u>	<u>33,445</u>	<u>609,734</u>	<u>(3,014,678)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>7,524,871</u>	<u>33,445</u>	<u>7,558,316</u>	<u>4,186,865</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	18	(3,307,526)	-	(3,307,526)	(279,796)
<b>NET ASSETS</b>					
		<u>4,217,345</u>	<u>33,445</u>	<u>4,250,790</u>	<u>3,907,069</u>
<b>FUNDS</b>					
Unrestricted funds	22			4,217,345	3,879,026
Restricted funds				33,445	28,043
<b>TOTAL FUNDS</b>					
				<u>4,250,790</u>	<u>3,907,069</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Governors and authorised for issue on 17th March 2022 and were signed on its behalf by:

  
J S Berry - Governor

SEVENOAKS PREPARATORY SCHOOL LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,035,573	445,348
Net cash provided by operating activities		<u>1,035,573</u>	<u>445,348</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(179,816)	(2,562,321)
Sale of tangible fixed assets		(1,675)	3,267
Interest received		281	2,080
Net cash used in investing activities		<u>(181,210)</u>	<u>(2,556,974)</u>
<b>Cash flows from financing activities</b>			
New loans in year		-	2,586,610
Net cash provided by financing activities		<u>-</u>	<u>2,586,610</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		854,363	474,984
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
		<u>955,403</u>	<u>480,419</u>
<b>Cash and cash equivalents at the end of the reporting period</b>			
		<u><u>1,809,766</u></u>	<u><u>955,403</u></u>

The notes form part of these financial statements

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	343,721	319,871
<b>Adjustments for:</b>		
Depreciation charges	432,160	296,231
Loss/(profit) on disposal of fixed assets	2,292	(3,267)
Interest received	(281)	(2,080)
Decrease/(increase) in debtors	305,504	(27,374)
Decrease in creditors	(47,823)	(138,033)
<b>Net cash provided by operations</b>	<u>1,035,573</u>	<u>445,348</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.20 £	Cash flow £	At 31.8.21 £
<b>Net cash</b>			
Cash at bank	955,403	854,363	1,809,766
	<u>955,403</u>	<u>854,363</u>	<u>1,809,766</u>
<b>Debt</b>			
Debts falling due within 1 year	(3,000,000)	3,000,000	-
Debts falling due after 1 year	-	(3,000,000)	(3,000,000)
	<u>(3,000,000)</u>	<u>-</u>	<u>(3,000,000)</u>
<b>Total</b>	<u>(2,044,597)</u>	<u>854,363</u>	<u>(1,190,234)</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Preparation of the accounts on a going concern basis**

Accounting standards require the governors to consider the appropriateness of the going concern basis when preparing financial statements. The governors confirm that they believe no material uncertainties exist. The governors have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

School fee income is accounted for on a receivable basis and consists of charges billed for the school year ended 31 August 2021, less bursaries and allowances. No value added tax is chargeable on the fees rendered. Fees received in advance for education to be provided in future years are carried forward as deferred income.

Donations are accounted for once the school has entitlement to the gift, it is probable that the income will be received, and the amount can be measured reliably.

Investment income is accounted when it is receivable, and the amount can be measured reliably.

**Expenditure and irrecoverable value added tax (vat)**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

The irrecoverable element of value added tax is included with the related expense.

Administration costs are allocated to the cost of raising funds and charitable activities on the basis of an appropriate apportionment of resources and activities.

Governance costs have been allocated in line with administration costs and include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

**Raising funds**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the governors.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all fixed assets at rates calculated to write off their cost, less estimated residual value, over their expected useful lives by equal annual instalments as follows:

Improvements to leasehold property - 4 to 10% on cost  
Fixtures and fittings - 25% on cost and 20% on cost  
Motor vehicles - 15% on cost

Assets under construction are not depreciated.

## SEVENOAKS PREPARATORY SCHOOL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

#### 1. ACCOUNTING POLICIES - continued

##### **Tangible fixed assets**

It is the school's policy to capitalise all items of a capital nature over £500.

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

Impairment reviews are carried out if events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When an impairment review is necessary the carrying amount of an asset is compared with the higher of its net realisable value and value in use and any permanent diminution in value is written off to the Statement of Financial Activities.

##### **Taxation**

The charity is exempt within the meaning on schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in paragraph 1 schedule 6 to the Finance Act 2020 and therefore meets the definition of a charitable company for UK tax purposes.

##### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

##### **Donations of goods, services and facilities**

Donated goods, professional services and facilities are recognised as income when the school has control over the item or has received the service, any conditions associated with the donation have been met, the receipt of the economic benefit from the use of an item by the school is probable, and that economic benefit can be measured reliably.

On receipt, donated goods, professional services and facilities are recognised on the basis of the value of the gift to the school which is the amount the school would have been willing to pay to obtain the goods, services or facilities on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. Goods donated for on-going use by the school in carrying out its day to day activities are recognised as tangible fixed assets.

##### **Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### **Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### **Creditors and provisions**

Creditors and provisions are recognised when 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.

##### **Financial instruments**

The school only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

##### **Pension costs and other post-retirement benefits**

Many of the teaching staff are members of the Teachers' Pension Scheme (TPS), a defined benefit scheme administered by the Teachers' Pension Agency. The Teachers' Pension Scheme is a multi-employer pension scheme which is unfunded. Actuarial valuations are carried out on a notional set of investments.

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**1. ACCOUNTING POLICIES - continued**

**Debtors**

The school is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, under FRS102, the scheme is accounted for as if it were a defined contributions scheme. The school's contributions, which are in accordance with the recommendations of the Government Actuary, are charged to the Statement of Financial Activities in the period in which the salaries to which they relate are payable.

The school also contributes to personal pension schemes for other teachers and non-teaching staff. These schemes are defined contribution schemes. The assets of the schemes are held separately from those of the school in independently administered funds. Contributions payable for the year are charged to the Statement of Financial Activities. The school has no other liabilities under these schemes.

**Employee benefits**

Short term employee benefits including holiday pay are recognised in the Statement of Financial Activities in the period in which the service is rendered. Termination benefits are accounted for on an accrual basis and in accordance with FRS102.

**Public benefit**

The school is a Public Benefit Entity

**2. DONATIONS AND LEGACIES**

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Donations	27,694	5,399	33,093	79,575
Gift aid	23,197	-	23,197	-
	<u>50,891</u>	<u>5,399</u>	<u>56,290</u>	<u>79,575</u>

**3. OTHER TRADING ACTIVITIES**

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
External hire	2,438	-	2,438	2,974
CJRS Furlough grant claims	9,180	-	9,180	99,563
	<u>11,618</u>	<u>-</u>	<u>11,618</u>	<u>102,537</u>

**4. INVESTMENT INCOME**

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Deposit account interest	278	3	281	2,080
	<u>278</u>	<u>3</u>	<u>281</u>	<u>2,080</u>

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**5. INCOME FROM CHARITABLE ACTIVITIES**

	2021	2020
	Education	Total
	£	activities
	£	£
School fees	5,130,648	4,852,279
Registration fees	10,377	9,965
Bursaries, scholarships and discounts	(299,722)	(493,007)
School shop	(680)	13,243
	<u>4,840,623</u>	<u>4,382,480</u>

**6. RAISING DONATIONS AND LEGACIES**

	Unrestricted	Restricted	2021	2020
	funds	funds	Total	Total
	£	£	£	£
Fundraising costs	<u>500</u>	<u>-</u>	<u>500</u>	<u>19,776</u>

**7. CHARITABLE ACTIVITIES COSTS**

Education		Support costs (see note 8) £ <u>4,562,299</u>
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**8. SUPPORT COSTS**

Education	Finance £ <u>83,942</u>	Welfare costs £ <u>220,693</u>	Development costs £ <u>34,435</u>	Teaching costs £ <u>2,577,787</u>
Education	Premises costs £ <u>1,135,673</u>	Support costs £ <u>478,455</u>	Governance costs £ <u>31,314</u>	Totals £ <u>4,562,299</u>

Support costs, included in the above, are as follows:

**Finance**

	2021	2020
	Education	Total
	£	activities
	£	£
Bank interest and charges	<u>83,942</u>	<u>66,675</u>

**Welfare costs**

	2021	2020
	Education	Total
	£	activities
	£	£
Contracted catering staff	129,180	117,633
Cost of meals	91,513	94,272
	<u>220,693</u>	<u>211,905</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021

8. SUPPORT COSTS - continued  
Development costs

	2021	2020
	Education	Total
	£	activities
		£
Wages	31,704	25,291
Social security	1,944	1,091
Pensions	787	493
	<u>34,435</u>	<u>26,875</u>

Teaching costs

	2021	2020
	Education	Total
	£	activities
		£
Wages	1,903,273	1,856,635
Social security	177,627	172,348
Pensions	315,602	328,844
Tutors and instructors	20,685	29,058
Training	10,632	6,512
Subscriptions	6,687	9,907
Classroom supplies	143,281	142,697
	<u>2,577,787</u>	<u>2,546,001</u>

Premises costs

	2021	2020
	Education	Total
	£	activities
		£
Wages	92,066	93,436
Social security	9,058	8,533
Pensions	2,762	3,532
Rent and rates	211,828	211,003
Insurance	37,151	34,273
Heat and light	59,489	66,881
Repairs and maintenance	89,769	73,765
Grounds	77,924	21,766
Cleaning	115,045	82,079
Motor & travelling expenses	8,421	9,272
Depreciation of tangible fixed assets	432,160	296,231
	<u>1,135,673</u>	<u>900,771</u>

Support costs

	2021	2020
	Education	Total
	£	activities
		£
Wages	312,198	291,266
Social security	30,927	28,298
Pensions	8,463	7,004
Hire of equipment	25,614	24,534
Telephone	8,574	7,458
Advertising & marketing	25,727	25,660
Headmasters entertainment	2,299	1,155
Sundry expenses	145	148
Postage and stationery	22,778	16,830
Legal & professional fees	41,730	43,291
	<u>478,455</u>	<u>445,644</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021

8. SUPPORT COSTS - continued  
Governance costs

	2021	2020
	Education	Total activities
	£	£
Governors' expenses	371	548
Auditors' remuneration	8,760	8,800
Accountancy fees	22,183	23,073
	<u>31,314</u>	<u>32,421</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	432,160	296,232
Hire of plant and machinery	25,614	24,534
Other operating leases	211,828	211,003
(Deficit)/surplus on disposal of fixed assets	<u>2,292</u>	<u>(3,267)</u>

10. AUDITORS' REMUNERATION

Auditors' remuneration for the year totalled £8,760 (2020: £8,800).

11. GOVERNORS' REMUNERATION AND BENEFITS

None of the Governors (or any persons connected with them) received any remuneration or other benefits from any employment with the school during the current or previous year.

No amounts were due to or from the Governors at the balance sheet date (2020: £nil).

Governors' expenses

	2021	2020
	£	£
Trustees' expenses	<u>371</u>	<u>548</u>

12. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	2,339,241	2,266,628
Social security costs	219,556	210,270
Other pension costs	327,614	339,873
	<u>2,886,411</u>	<u>2,816,771</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Employees	<u>85</u>	<u>86</u>

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**12. STAFF COSTS - continued**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
	<u>4</u>	<u>4</u>

Contributions totalling £39,092 (2020: £36,761) were made during the year to pension schemes on behalf of employees whose employee benefits exceed £60,000.

The key management personnel of the school comprise the Headmaster, the Bursar, the Deputy Head, the Head of Pre-Prep, the Head of Learning Support SENco, Assistant Heads and the Deputy Head of Pre-Prep. The total employee benefits including pension contributions for the key management personnel were £573,318 (2020: £529,280).

**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	72,275	7,300	79,575
<b>Charitable activities</b>			
Education	4,382,480	-	4,382,480
Other trading activities	102,537	-	102,537
Investment income	2,017	63	2,080
<b>Total</b>	<u>4,559,309</u>	<u>7,363</u>	<u>4,566,672</u>
<b>EXPENDITURE ON</b>			
<b>Raising funds</b>			
Raising donations and legacies	19,776	-	19,776
	<u>19,776</u>	<u>-</u>	<u>19,776</u>
<b>Charitable activities</b>			
Education	4,230,292	-	4,230,292
Other	(3,267)	-	(3,267)
<b>Total</b>	<u>4,246,801</u>	<u>-</u>	<u>4,246,801</u>
<b>NET INCOME</b>	312,508	7,363	319,871
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	3,566,518	20,680	3,587,198
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>3,879,026</u></u>	<u><u>28,043</u></u>	<u><u>3,907,069</u></u>

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**14. LEGAL STATUS**

The company, which is registered in England & Wales, is limited by guarantee and has no share capital. The liability of the members in the event of a winding up is limited to £10 each per member.

No one party has overall control of the school.

**15. TANGIBLE FIXED ASSETS**

	Capitalised finance lease for classrooms £	Improvements to leasehold prop erty £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 September 2020	134,026	8,951,828	901,636	76,119	10,063,609
Additions	-	170,546	9,270	-	179,816
Disposals	-	-	-	(6,171)	(6,171)
At 31 August 2021	<u>134,026</u>	<u>9,122,374</u>	<u>910,906</u>	<u>69,948</u>	<u>10,237,254</u>
<b>DEPRECIATION</b>					
At 1 September 2020	134,026	1,954,456	703,752	69,832	2,862,066
Charge for year	-	350,547	80,398	1,215	432,160
Eliminated on disposal	-	-	-	(5,554)	(5,554)
At 31 August 2021	<u>134,026</u>	<u>2,305,003</u>	<u>784,150</u>	<u>65,493</u>	<u>3,288,672</u>
<b>NET BOOK VALUE</b>					
At 31 August 2021	<u>-</u>	<u>6,817,371</u>	<u>126,756</u>	<u>4,455</u>	<u>6,948,582</u>
At 31 August 2020	<u>-</u>	<u>6,997,372</u>	<u>197,884</u>	<u>6,287</u>	<u>7,201,543</u>

Leasehold property has been pledged as security for a bank loan.

**16. DEBTORS**

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	21,194	67,217
Rental deposit	-	19,200
Other debtors	-	8,081
Prepaid expenses	50,428	32,241
	<u>71,622</u>	<u>126,739</u>
Amounts falling due after more than one year:		
Retention collateral	-	250,387
	<u>-</u>	<u>250,387</u>
Aggregate amounts	<u>71,622</u>	<u>377,126</u>

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Bank loans and overdrafts (see note 19)	-	3,000,000
Trade creditors	67,745	253,037
Social security and other taxes	54,035	47,779
Other creditors	39,934	40,021
Fees received in advance	1,066,430	974,420
Accrued expenses	43,510	31,950
	<u>1,271,654</u>	<u>4,347,207</u>

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021 £	2020 £
Bank loans (see note 19)	3,000,000	-
Long term fee deposits	307,526	279,796
	<u>3,307,526</u>	<u>279,796</u>

**19. LOANS**

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year on demand:		
Bank loans	-	3,000,000
Amounts falling due between two and five years:		
Bank loans - 2-5 years	3,000,000	-

Interest is charged at a fixed rate of 4.01% and is interest only until 28 June 2022 and which point capital repayments start. The loan is repayable after 5 years and will be refinanced at that stage.

**20. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021 £	2020 £
Within one year	207,104	209,312
Between one and five years	789,903	813,407
In more than five years	2,815,200	2,998,800
	<u>3,812,207</u>	<u>4,021,519</u>

The charity operates from premises subject to a lease that expires in December 2041 at an annual rental of £183,600 per annum. The rent is reviewed every five years with the next review due in September 2022.

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021

21. SECURED DEBTS

The following secured debts are included within creditors:

	2021 £	2020 £
Bank loans	<u>3,000,000</u>	<u>3,000,000</u>

The bank loan from Handelsbanken has been secured against the land registered with the title number K739282.

22. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
<b>Unrestricted funds</b>			
General fund	3,859,320	339,208	4,198,528
Designated capital fund	19,706	(889)	18,817
	<u>3,879,026</u>	<u>338,319</u>	<u>4,217,345</u>
<b>Restricted funds</b>			
Restricted Fund	28,043	5,402	33,445
	<u>28,043</u>	<u>5,402</u>	<u>33,445</u>
<b>TOTAL FUNDS</b>	<u>3,907,069</u>	<u>343,721</u>	<u>4,250,790</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	4,903,411	(4,564,203)	339,208
Designated capital fund	(1)	(888)	(889)
	<u>4,903,410</u>	<u>(4,565,091)</u>	<u>338,319</u>
<b>Restricted funds</b>			
Restricted Fund	5,402	-	5,402
	<u>5,402</u>	<u>-</u>	<u>5,402</u>
<b>TOTAL FUNDS</b>	<u>4,908,812</u>	<u>(4,565,091)</u>	<u>343,721</u>

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
<b>Unrestricted funds</b>			
General fund	3,545,924	313,396	3,859,320
Designated capital fund	20,594	(888)	19,706
	<u>3,566,518</u>	<u>312,508</u>	<u>3,879,026</u>
<b>Restricted funds</b>			
Restricted Fund	20,680	7,363	28,043
	<u>20,680</u>	<u>7,363</u>	<u>28,043</u>
<b>TOTAL FUNDS</b>	<u>3,587,198</u>	<u>319,871</u>	<u>3,907,069</u>

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**22. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	4,559,309	(4,245,913)	313,396
Designated capital fund	-	(888)	(888)
	<u>4,559,309</u>	<u>(4,246,801)</u>	<u>312,508</u>
<b>Restricted funds</b>			
Restricted Fund	7,363	-	7,363
	<u>7,363</u>	<u>-</u>	<u>7,363</u>
<b>TOTAL FUNDS</b>	<u><u>4,566,672</u></u>	<u><u>(4,246,801)</u></u>	<u><u>319,871</u></u>

The restricted funds are held as part of the company's bank balance. The bursary fund represents a donation towards a bursary. Also a transfer from the general fund to the bursary fund was made during the year ended 31 August 2017. A separate bursary committee has been established to oversee this fund. The fund aims to support families who may succumb to unforeseen disasters such as sudden bereavement, divorce, redundancy or the collapse of a family business and will provide assistance in paying school fees.

The designated capital fund relates to donations received in 2014 to assist with the redevelopment of the junior school. The redevelopment was completed during 2015 and all costs relating to the project were capitalised in the financial statements. A proportion of the depreciation of these costs is being charged to the designated fund each year.

**23. CAPITAL COMMITMENTS**

	2021 £	2020 £
Contracted but not provided for in the financial statements	-	57,481
	<u>-</u>	<u>57,481</u>

The 2020 balance represents the gross retention on the construction of the Centenary Centre. This was financed by reserves, donations and the bank loan.

**24. OTHER FINANCIAL COMMITMENTS**

**PENSION COMMITMENTS**

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 £302,998 (2020: £301,715) and at the year-end £24,617 (2020 - £36,419) was accrued in respect of contributions to this scheme.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021

24. OTHER FINANCIAL COMMITMENTS - continued

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

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

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

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- o employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- o total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- o the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Charity has accounted for its contributions to the scheme as if it were a defined contribution scheme.

**Government pension scheme**

The Charity pays pension contributions to into defined contribution pension schemes for those employees who do not participate in the TPS. The amount recognised as an expense in the year was £24,617 (2020 - £36,419). The amount owed to the pension schemes at the year end was £5,483 (2020 - £5,003).

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**25. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 August 2021.

SEVENOAKS PREPARATORY SCHOOL LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	33,093	79,575
Gift aid	23,197	-
	<u>56,290</u>	<u>79,575</u>
<b>Other trading activities</b>		
External hire	2,438	2,974
CJRS Furlough grant claims	9,180	99,563
	<u>11,618</u>	<u>102,537</u>
<b>Investment income</b>		
Deposit account interest	281	2,080
<b>Charitable activities</b>		
School fees	5,130,648	4,852,279
Registration fees	10,377	9,965
Bursaries, scholarships and discounts	(299,722)	(493,007)
School shop	(680)	13,243
	<u>4,840,623</u>	<u>4,382,480</u>
<b>Total incoming resources</b>	<u>4,908,812</u>	<u>4,566,672</u>
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Fundraising costs	500	19,776
<b>Other</b>		
Loss on sale of tangible fixed assets	2,292	(3,267)
<b>Support costs</b>		
<b>Finance</b>		
Bank interest and charges	83,942	66,675
<b>Welfare costs</b>		
Contracted catering staff	129,180	117,633
Cost of meals	91,513	94,272
	<u>220,693</u>	<u>211,905</u>
<b>Development costs</b>		
Wages	31,704	25,291
Social security	1,944	1,091
Pensions	787	493
	<u>34,435</u>	<u>26,875</u>
<b>Teaching costs</b>		
Wages	1,903,273	1,856,635
Social security	177,627	172,348
Pensions	315,602	328,844
Carried forward	2,396,502	2,357,827

This page does not form part of the statutory financial statements

**SEVENOAKS PREPARATORY SCHOOL LIMITED**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2021**

	2021 £	2020 £
<b>Teaching costs</b>		
Brought forward	2,396,502	2,357,827
Tutors and instructors	20,685	29,058
Training	10,632	6,512
Subscriptions	6,687	9,907
Classroom supplies	143,281	142,697
	<u>2,577,787</u>	<u>2,546,001</u>
<b>Premises costs</b>		
Wages	92,066	93,436
Social security	9,058	8,533
Pensions	2,762	3,532
Rent and rates	211,828	211,003
Insurance	37,151	34,273
Heat and light	59,489	66,881
Repairs and maintenance	89,769	73,765
Grounds	77,924	21,766
Cleaning	115,045	82,079
Motor & travelling expenses	8,421	9,272
Improvements to property	350,547	216,239
Fixtures and fittings	80,398	76,773
Motor vehicles	1,215	3,219
	<u>1,135,673</u>	<u>900,771</u>
<b>Support costs</b>		
Wages	312,198	291,266
Social security	30,927	28,298
Pensions	8,463	7,004
Hire of equipment	25,614	24,534
Telephone	8,574	7,458
Advertising & marketing	25,727	25,660
Headmasters entertainment	2,299	1,155
Sundry expenses	145	148
Postage and stationery	22,778	16,830
Legal & professional fees	41,730	43,291
	<u>478,455</u>	<u>445,644</u>
<b>Governance costs</b>		
Governors' expenses	371	548
Auditors' remuneration	8,760	8,800
Accountancy fees	22,183	23,073
	<u>31,314</u>	<u>32,421</u>
Total resources expended	<u>4,565,091</u>	<u>4,246,801</u>
<b>Net income</b>	<u>343,721</u>	<u>319,871</u>