

Charity Registration No. 1102588

Company Registration No. 05010957 (England and Wales)

DENSTONE COLLEGE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024

DENSTONE COLLEGE LIMITED

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DENSTONE COLLEGE LIMITED

COMPANY INFORMATION

DIRECTORS AND ADVISORS

Directors

Prof N T Ratcliffe (Chair)
Mrs E L Bell (resigned 27/6/24)
Mr D T Brown
Mr M F Coffin
Mr A D Coley
Mr D A Cooper
Mrs J Dickson (resigned 28/11/23)
Mr B W Hinton (resigned 14/3/24)
Capt. M G Huddy
Mr H R Jones (appointed 19/6/24)
Mr C J Lewis
Mr G T McAloon (appointed 14/3/24)
Mrs B A McNally-Young
Mrs J J Marshall
Mr J C Sampson
Dr Q Siddiqi

Charity No.

1102588

Company No.

05010957

Principal Address and Registered Office

Denstone College Ltd, Uttoxeter
Staffordshire, ST14 5HN

Key Management Personnel

Head

Miss L E Tulloch

Bursar / CFO

Mrs M A Walker

Auditor

Moore Kingston Smith LLP
6th Floor, 9 Appold Street, London, EC2A 2AP

Bankers

Lloyds Bank
1 Pride Hill, Shrewsbury, SY1 1DG

Solicitors

Veale Wasbrough Vizards LLP
Narrow Quay, Bristol, BS1 4QA
Farrer & Co
66 Lincoln's Inn Fields, London, WC2A 3LH
Martin Kaye
The Foundry, Euston Way, Telford, TF3 4LY

Investment Advisers

Cazenove Capital
1 London Wall Place, London, EC2Y 5AU

Insurance Brokers

Marsh
1 Tower Place West
Tower Place, London
EC3R 5BU

DENSTONE COLLEGE LIMITED

DIRECTORS' REPORT (*incorporating the Strategic Report*) **YEAR ENDED 31ST AUGUST 2024**

The directors present their report and financial statements for the year ended 31st August 2024 and confirm they comply with the requirements of the Charities Act 2011, including the Directors' and Strategic Reports, under the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE INFORMATION

The charity was formed in 2004 and is registered with the Charity Commission as charity number 1102588. The charity is a limited liability company and wholly owned subsidiary of The Woodard Corporation (charity number 1096270). The charitable company is incorporated in the United Kingdom. Directors of the Company are also Fellows (members) of the Woodard Corporation and participate in the election of its board of management and are committed to its charitable objects.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The company is governed by Articles of Association as adopted by Special Resolution dated 2 July 2015 and 20 March 2013, replacing those dated 9 January 2004 amended by Special Resolution dated 25 January 2006. They permit funds to be managed in such a manner as the directors see fit, provided that such powers are only exercised for the purposes of attaining the objects and in a manner which is legally charitable. The Articles of Association forbid the distribution of any property or funds, which are to be applied solely towards the promotion of the objects of the company.

Governing Body

The governors are the directors and charitable trustees of the company and comprise the governing body of Denstone College and are elected to hold office for five years. The school is governed by the governing body which operates using a number of committees. Membership of each committee is outlined on page 14. The governing body met 5 times during the year.

Recruitment and Training of Governors

All governors are Fellows of the Woodard Corporation. Fellows are responsible for electing the Woodard Corporation Board. Governors are recruited on the basis of nominations from school contacts and from selection when a post becomes available. The governing body look to ensure a mix of skills and select new governors on the basis of background, competence, specialist skills and, in the case of Fellows, Christian commitment. Governors are provided with induction training by the Head, Bursar / CFO and staff and a wider programme of training events is organised by the Woodard Corporation.

Where possible the governors consider that the skills and experience of the governing body should comprise the following:

- A Governor with a legal background.
- A Governor with a financial/accounting background.
- A Governor with education experience.
- A Governor with senior managerial or business experience.
- A Governor with experience of equal opportunities or disability needs.
- At least one female Governor and at least one male Governor.

One Governor may have one or more of these skills.

Volunteers

Governors are volunteers, providing their time for free to support the governance of the school. Many are OD's or had or have children at the School. The School also relies on a number of others to undertake volunteer roles including rugby coach, independent listener, reading with Prep School children, assistance in Chapel and Parent Associations. These endeavours are also important to the School in building community and relationships and some of them also involve raising funds for specific small projects.

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DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2024

Organisational Management

The school is governed by the governing body which delegates work to a number of committees. Membership of each committee is outlined on page 14. The Directors determine the general policy of the company.

Compliance Committee - Risk Management, Health and Safety, GDPR, UKVI, security and inspection are agenda items. It met three times during the year.

Finance & General Purpose Committee – the committee has a remit to consider budgets, both revenue and capital, cash flow information and financial reports, including the financial statements. It also considers financial policies and the financial regulations. Estates, building maintenance and capital development are also reviewed here. It makes recommendations to the governing body for approval. The committee met five times during the year.

Education Committee – the Education Committee is responsible for oversight of the academic performance of the school and educational policy, making recommendations to the governing body. It met three times during the year.

Other committees include Development, IT, People, Remuneration and Safeguarding.

The day to day management of the company is delegated to the Head and the Bursar/CFO as the Key Management personnel, overseeing educational, pastoral and administrative functions in consultation with the senior staff. The day to day administration is undertaken within the policies and procedures approved by the governors which provide for only significant expenditure decisions and major capital projects to be referred to the governors for prior approval.

The Head oversees the recruitment of all educational staff, whilst under delegated authority the Bursar/CFO oversees the recruitment of administrative and non-teaching support staff. The Head and Bursar/CFO are invited to attend governors' meetings.

The remuneration of key management personnel is set by the governing body, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the school's success.

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

We aim to recruit, subject to experience, at the relevant point within a band, providing scope for rewarding excellence. We recognise that delivery of the school's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

Group Structure and Relationships

The company has a wholly owned non-charitable subsidiary, Denstone College Enterprises Limited, the activities and trading of which are described below. Note 34 provides details of connected parties.

We have a thriving alumni group, the Old Denstonians (OD's), who are generous in supporting the work of the School and whose support we greatly appreciate. We also cooperate with many local charities in our ongoing endeavours to widen public access to the schooling we can provide, to optimise the educational use of our cultural and sporting facilities and to awaken in our pupils, in the public interest, an awareness of the social context of the all-round education they receive.

CHARITABLE OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The charity's objects, as set out in the Articles of Association, are to promote and extend education (including spiritual, moral, social, cultural and physical education) in accordance with the doctrines and

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principles of the Church. The Church is defined as being the Church of England and churches in full communion with the See of Canterbury.

Intended impact

Woodard schools strive for the best all round education of every aspect of each individual; they ensure high standards of religious education; and they see themselves as communities working together for the benefit of all members, and of the Church and the nation. They are strong Christian foundations which adhere to catholic belief as found in the Church, to Christian worship focused in the Eucharist, and to the care of each individual and the whole school community particularised in the ministry of the Chaplain.

Aims

Denstone College is a boarding and day school for pupils from the ages of 4 to 18. It aims to support children in reaching their potential in all areas of their activity at the school, and in the wider community. This may be in academic subjects but could just as easily be reflected in success in art, drama, sport, music or dance. We produce 'well rounded' individuals who are able to make a positive contribution to society. All Woodard schools aim to provide a rounded education to help the pupils to make their way in adult life.

Primary objectives

The primary objectives of Denstone College to fulfil these aims are:

- to provide a stimulating learning environment in which pupils can develop their academic potential to the full;
- to provide a happy and secure pastoral environment in which pupils can learn to live together and thus foster a sense of community, respect for one other and good citizenship;
- to provide pupils with the opportunity to take advantage of a breadth of co-curricular activities in order to develop positively all aspects of their character;
- to provide pupils with the opportunity to take decisions based on their own judgment and to communicate those decisions appropriately and effectively;
- to provide financial support to enable children whose parents are unable to afford the full fees to benefit from an Denstone College education;
- to provide a clear, simple and effective management structure capable of taking timely decisions and allocating necessary resources appropriately, and
- to provide the necessary administrative and logistic framework to meet the needs of members of staff and pupils alike.

Strategies to achieve the primary objectives

- to resource the College to provide a broad and relevant curriculum that leads to successful participation and academic outcomes.
- to grow boarding for our younger students, from Y3, delivering a wider experience for all of our boarders, with older students as role models.
- 10-12% of fee income is allocated to assist in enabling talented children whose parents could otherwise not afford for them to attend the School.
- Governors are responsible for the overall management and control of the School. They meet at least three times a year and also hold sub-Committee meetings for decision making. The day-to-day management is delegated to the Head and Bursar/CFO, supported by their management teams, covering a variety of operational and compliance aspects. Additionally, Housemasters and Housemistresses are heavily involved in pastoral support. Our tutor system links most academic staff to one of our eight Houses, bringing a strong cohesion to our community.
- A forum is held half-termly to ensure colleagues have a valued voice in the School. Representatives from all areas of School attend and provide feedback.

Principal Activities of the Year

The principal activity of the school is the delivery of education to pupils ranging from 4 to 18 years of

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age. We also let the School to sporting and other groups during holidays and the School is open at other times for use by the local community. Pupil numbers at the school during the year were as follows:

	2023/2024		2022/2023	
Senior School	674	(182 boarder)	660	(179 boarders)
Preparatory School	82	(1 boarder)	85	(10 boarders)
Pre-Preparatory School	23		31	
Total	<u>779</u>		<u>776</u>	

	2023/2024		2022/2023	
	Boys	Girls	Boys	Girls
Senior School	389	285	374	286
Preparatory School	57	25	57	28
Pre-Preparatory School	15	8	20	11
Total	<u>461</u>	<u>318</u>	<u>451</u>	<u>325</u>

Public Benefit

Within the objects, the school aims to create an environment to nurture children, to get the best from them and to allow them to develop and fulfil their potential. We provide them with a first class independent education and a wide range of sporting and artistic opportunities. Our public benefit aim is that all pupils will be self-confident and desire to contribute to the wider community. Denstone College fully understands the truly privileged position it holds as an independent school in the current climate. To that end, the College seeks to allow every member of our community to understand this privilege and to ensure a sense of giving back is at the heart of our mission. As a Woodard school guided by Christian values, the sense of putting others before selves is critical.

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

Our school welcomes pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our school will be able to educate and develop a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes. Our assessment seeks to find children who would thrive in this environment, and protected characteristics are indeed protected. Denstone College continues to support a number of families through financial bursaries up to 110%. We work closely with the Local Authority and the Royal National Springboard Foundation to help educate some of the most vulnerable children in our local area.

Our school is part of a wider community and we are keen that our staff and pupils participate. Our school also offers a resource to support a range of educational activities for the benefit of local children attending state schools and their teachers. Our governors are committed to developing our programme of cooperation and joint working with local maintained sector junior and secondary schools. The activities undertaken and the success of our programme are explained in the 'review of achievements and performance for the year' section and are well documented on our 'Schools Together' page.

Denstone College proudly educates its young people in the need to give back and in doing so, weekly charitable assemblies showcasing our many fundraising and charitable efforts are a highlight in the school week. Children are encouraged to give freely of time, resource and care; statistics for volunteering hours earned through the Duke of Edinburgh Award Scheme only skim the surface of what our pupils achieve – often without realising their generosity.

Denstone College is committed to continuing the good work of our public benefit and enhancing this further. Woodard and its schools provide a significant benefit to the public. The school strives to

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ensure that measures of public benefit are appropriate, and that significant sections of the public are not excluded from the opportunity to benefit from the education and facilities offered due to the need to pay a fee. In addition to significant provision of bursaries and other forms of financial support, the school provides a wide range of opportunities for community benefit and facilities and events are often open to all.

Concessions Including Bursaries & Scholarships

Our school does not have an endowment and in funding our concessions we have to be mindful that we must ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards. Further details of our concessions and how to apply are available on our website at www.denstonecollege.org.

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

Bursaries

Bursary awards are important in helping to ensure children from families who would otherwise not be able to afford the fees can access the education we offer. Our bursary awards are available to all who meet our general entry requirements and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk for example in the case of redundancy. In most cases the budget for bursaries is allocated using a "needs blind" approach as far as possible, whilst giving priority to the continuity of education of those pupils already at the school.

This year the value of means tested bursaries totalled £622k (2023 £552k). They provided assistance to 49 of our pupils of which 9 pupils benefited from a full remission of fees.

Scholarships

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

The School awarded (financial) scholarships to 99 pupils (2023 – 151), based on their educational merit and potential, totalling £267k (2023 £377k) and representing 1.7% (2023 – 2.6%) of our gross fees. Of this number, 10 also qualified for means-tested bursary support and are included in the figures relating to bursary awards. Scholarships awarded after September 2021 no longer carry a financial award, with those awarded previously continuing.

The progress of pupils receiving scholarships is reviewed at least annually to ensure their progress is in line with their abilities. No scholarships were withdrawn in the year as a result of reviews.

Employment Policy

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

Engagement with Suppliers, Customers and Others in a Business Relationship with Denstone College

Denstone College seeks to engage actively and positively with all stakeholders in the local community and in the wider educational landscape. Collaborative relationships with suppliers, parents, educational partners and community leaders are seen as key enablers to achieving success in all of the School's operations.

During the year the School has further promoted this engagement through specific initiatives including:

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- Regular communication and engagement with parents and prospective parents of pupils attending Denstone College to enhance the understanding of the provision to each pupil and to fully coordinate support to pupils from parents and schools.
- Engagement with other educational organisations and partners at local and national levels to share best practice and to provide peer support.
- Active dialogues with local councils on matters which impact children and families in the community as well as relate to operation of each school.
- Engaging with local businesses to promote career and educational opportunities for pupils for their mutual benefit.
- Seeking all possible opportunities to engage with local and national suppliers in the area.
- Seeking regular communication with all suppliers and ensuring good commercial practices of prompt payment and clear communication to optimise arrangements for supply of goods and services to Denstone College.
- Promoting and encouraging pupil and staff opportunities to engage in local voluntary and other projects to support the community.
- Providing community access to Denstone College and, in many cases, adopting a role that puts the school or academy at the heart of a community.

STRATEGIC REPORT

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Responding to External Pressures

The independent schools' sector, including Woodard independent schools, stood up well to the problems created by the 'cost of living crisis' but independent schools remained concerned, and many were planning for pressure on pupil numbers, particularly once the new Labour Government confirmed the introduction of VAT on school fees from 1st January 2025.

The increases in the cost of living impacted all areas of cost for independent schools, particularly in staff costs. The more recent return to long term rates of inflation has lessened this impact, but schools have all faced an issue in recovering their costs through fee rises. This will continue with the introduction of VAT. The removal of 80% Business Rate Relief from April 2025 has a significant impact and further to that, the increase in Employers' National Insurance was also announced in the October 30th Budget. This element was unexpected and unbudgeted by the school. A target savings plan was created and then approved by Governors in November 2024, aimed at delivering the same level of surplus for academic year 2024/25. The 2024/25 plans show delivery of a modest surplus.

School Performance and Achievements

During the year we educated 779 children between the ages of 4 and 18. The school offers a broad curriculum and educates children with a wide range of ability. The educational performance of the School was excellent, as demonstrated by the public examination results. The school achieved a 94% pass rate at grades 4 or above for GCSE, of which 38% of exams were graded 7 or above, and at A Level or equivalent qualifications, 80% of grades were A to C, of which 35% of exams were graded A* or A (or equivalent). With an average score of 122 UCAS points per candidate - equivalent to around ABB grades at A Level – this year's A level cohort secured many impressive post-sixth form destinations, with the vast majority moving on to higher education at their first-choice destination. These results are well above the national average for all schools; increasing numbers of pupils are now successfully admitted to Oxbridge.

We continue to improve facilities through constant investment in the fabric of the buildings and assets, and ambitious programmes to provide the best facilities to support teaching and learning. Denstone College continued with its development programme and during 2023-24 undertook refurbishments including improvements to the (borehole) water infrastructure system, upgrades to various heating systems and the commencement of North House boarding enhancements.

Arts, Music and Drama

One of the important elements of any Woodard school is the concentration on arts, music and drama. Denstone College makes excellent provision in all different aspects of these activities. The inter-house 'Cultural Cup' has been expanded further this year, with the addition of Crossword, Spelling,

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Mythology, Science Speed Presenting, Declamation and Poetry Competitions, in addition to the wide range already on offer.

The 2023-2024 academic year continued to see exciting musical developments. The concert programme has expanded and the Scholars and Advanced Musicians' Concert set the bar for extremely high quality. A series of lunchtime concerts in the Music School also saw a range of developing performers take to the stage to hone their skills. This year also saw the introduction of two new events - a dedicated joint concert between the Prep and the College, showcasing both aspects of the Department to great success, and a Music Theatre and LAMDA showcase event. With the Music Department now managing the delivery of LAMDA lessons, we felt that there was a great opportunity to showcase individual skills in both Music and LAMDA, and we look forward to this becoming a regular event. The Chapel Choir has continued to push itself with diverse and interesting repertoire: this year our Carols by Candlelight service explored the work of women composers, allowing us to present a range of interesting contemporary work. For the Choral Concert this year we tackled Haydn's 'Nelson Mass', as always with pupil soloists and pupils performing in the orchestra itself. The parent choir aspect of this event continues to be popular and well attended. The College ensembles have also continued to progress well, with the Big Band and Soul Band taking the opportunity to perform a concert at the Denstone Village Hall. This was a well-attended event, and has triggered several external performance requests for the coming academic year. This year's Music Tour took us to Devon, with 22 pupils attending, and a number of performance opportunities with local ensembles. At the Prep, music continued developing at a pace with a new Head of Music for The Prep driving progress. Teatime Concerts were a regular occurrence with pupils from the age of 5 years upwards performing, developing confidence when performing in front of others. The Prep House Music Competition was hard and all pupils in The Prep were fully involved, developing performance experience and enjoying singing. Regular music clubs take place throughout the week e. g. chapel choir, show choir, string group, recorder group.

In December 2023, over 65 of our talented Middle and Senior School worked to produce an outstanding production of 'The Addams Family Musical'. All of the pupils collaborated tirelessly to ensure that the show was a success: the performance of its leads, the energy of the ensemble, the enthusiasm of the singing, the accomplished 12-piece band, the challenging and captivating choreography, the ambitious stage design, and the fun mood generated by the tech team all ensured that the show was full of energy and fun. The Lower School performance of 'Shrek Junior' produced by the First, Second and Third formers in May 2024, revealed equal dramatic ability and professionalism in our Lower School. This was a beautiful show, featuring 70 student actors, several student assistant directors, twenty plus student designers and a student tech team. The audience were treated to four performances, all of which were received with delight. February 2024 saw again the House Drama Festival, an event involving all of our Second Form students and creative representatives from the Lower Sixth. All of the students worked together in houses to create original and entertaining pieces of theatre; all of which were well-received by their two audiences. Those taking GCSE and A Level performed in 4 different evening showcases as a part of their curriculum assessments. Denstone's audiences were treated to a variety of different styles: Greek, Shakespeare, Political and Comedy, and others, all to a very high standard. Alongside the extra-curricular performances, these were again supported by the pupil tech team members who continue to impress with their practices in lighting and sound. LAMDA has gone from strength to strength and this has continued to be a success. Near to 40 pupils are studying for LAMDA qualifications. We have continued to host evening screenings of a range of theatrical productions in the School Room and we were fortunate to take our students to visit Nottingham's Opera House to watch a production of the thrilling *The Woman in Black*. At the Prep, all pupils from Prep 3 to Prep 6 have weekly drama lessons and LAMDA again proved popular with many children attending regular lessons and successfully achieving in exams.

Sport

Sport at Denstone continues to be an impressive part of our co-curricular offering and one which is valued highly amongst pupils and their parents. Our programme remains invested in the traditional sports as well as providing a programme with a recreational bias which is guided by teachers', passions, interest and skill. Our Games programme focuses on the development of the individual and we are bold and assured in our position on this. Sport is our vehicle to develop pupils' in their life skills such as resilience, communication, humility, patience and decision making alongside the development of their practical skills. In rugby, our programme continues to embed this culture of participation and development, and it has been great to see the senior boys particularly embrace this notion. In netball,

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our programme continues to develop with long term goals and ambition. We have offered more opportunities for training in the day and before school as well as competitions at the younger age groups to ensure a level of appropriate challenge and motivation for the pupils. In cricket, recruitment has been significant, and we hope to build on the development of our younger players and the success of our U17 team from last summer. In Hockey, we remain competitive in Tier 1 and the Director of Hockey has worked extremely hard to establish a programme which has the right focus and level of ambition for our resources. Football also remains a popular option. The department provides an element of continuity for the Prep School, and we have started to see the benefits of this with more scholarships being awarded to Prep 6 pupils than previously. At the Prep, pupils from U8 to U11 teams represented the school in a number of sporting fixtures throughout the year e.g. netball, rugby, hockey. We also ran our first ever cricket festival, which was very well supported by other local schools.

Community

Through development of, and provision of access to, our facilities, Denstone College remains at the heart of the community. Facilities, which are offered at times free of charge or at rates below commercial levels, that are made open to the public include:

- Our all-weather cricket nets and sports hall that are made available to both local senior and junior clubs, often along with coaching to participants.
- Our swimming pool, which is made available to local swimming clubs and for use by local primary and middle schools. In addition to swimming lessons for our secondary age pupils, we provide 'Learn to Swim' teaching lessons for local children aged between 2.5 and 12 years, with about 300 participating.
- The Sports Hall is made available for local groups across various sports and leisure activities.
- Our sports pitches are used in regular fixtures against local schools in a variety of sports, with the outside community also able to use these facilities. Various youth groups and child sports clubs enjoy evening sessions, particularly on our floodlit all-weather pitch.
- We have hosted county, and indeed regional, hockey, rugby and cricket matches and trials, including some national cricket trials at various age levels.
- The local community are welcome to attend our Carols by Candlelight and other Chapel services and our drama and musical performances, either in the theatre or Chapel, are open to members of the village community, upon request.
- The College allows some 80 associate members from the local community to enjoy our golf course facilities.
- Subject to the necessary permissions, we can host wedding ceremonies and receptions.
- Through our Enterprise Company, we provide our facilities to children and adults in various sport and general activity groups during the School holidays.
- We continue to work very closely with the Parish Council and have met with them on numerous occasions to ensure we work collaboratively within the village.
- Our Prep Eco-Committee continues to work with the school community, developing links with the College. Activities included helping to plant-up the College Wellbeing Garden where have our own planting bed, working to reducing waste, litter picking, electricity conservation activities and introducing paper recycling throughout the school.

Other Activities undertaken in the Community

These include the many that benefit from the fundraising efforts of our pupils and staff, and from volunteer work locally and further afield. Members of the College CCF contingent meet with local Army, Air Training and Sea Cadets in competition. Local cadet forces and Utttoxeter Rifle Club use the outdoor range. Pupils embarking on their Duke of Edinburgh Awards have regularly visited the elderly and help with local projects, including Community Speed watch, litter picking, maintaining the church yards and assisting as junior coaches in local sports clubs. Our Directors of Rugby and Hockey are in regular contact with local clubs. We continue to value our links with the local community and make facilities available to them.

Outreach

We continue to extend our classroom teaching provision to some 6th Form pupils from local state schools. We also continue to have a number of staff on governing bodies at local schools. The College ran a very successful Science Workshop Day for local primary schools, led by our Head of Science. The department ran a number of practical activities for approximately 70 local primary school children. In July 2024, we invited local primary schools to an U10 Cricket Festival. The schools played a number of fixtures against each other, and we welcomed approximately 75 local children to the Festival. This

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also involved visits from our Director of Cricket and Cricket Coach to local primary schools to provide coaching. In October 2023, we welcomed 150 local primary school children to Denstone College from 5 different primary schools for an all-day hockey festival, led by our Director of Hockey. The feedback received following the event was extremely impressive. All children left with a beginner's hockey stick so they can continue to play hockey moving forward. In the summer term, we organised an English writing competition for local primary schools. A number of schools participated, and we were inundated with entries. We have also recently organised an Art exhibition. As part of Parliament Week, our Head of Politics visited a local primary school to lead parliament workshops. We continue to work closely with OSSMA in Stoke and Derby County. The Staffordshire Sports Partnership recently used our facilities for sports events with local schools. The charity is continuing to develop wider community links and widening educational access to their facilities, both on free terms and at fee rates below commercial levels.

Wider Experiences

The College offered many trips to its pupils this year, including important fieldwork trips (such as the Geography trip to Wales, and trips to academic conferences and workshops), a range of stimulating sports trips, tournaments and tours (including the St Joseph's and Rosslyn Park rugby festivals, where teams performed very strongly, and a pre-season trip to Barbados amongst others), boarders' trips to a range of entertainments, including seeing Jack and the Beanstalk at the Manchester Opera House, and a wide range of other edifying opportunities, in addition to the numerous trips associated with outdoor pursuits. In the Prep, children have benefitted from a number of off-site activities and trips including our annual trip to the pantomime in Buxton, a trip to Treak Cliff Caverns, Alton Castle, Blists Hill and The Black Country Museum. All pupils from Prep 3 to Prep 6 also attended residential during the Summer Term, where they experience outdoor activities to develop teamwork, social skills and independence.

Combined Cadet Force (CCF), Duke of Edinburgh (DofE) Awards and Outdoor Pursuits

From 4th Form upwards, all pupils have the opportunity to join the CCF, which has an Army and RAF section within the contingent. Currently over 120 students take part in the CCF. The CCF ran Field Day exercises every term at Swynnerton and Leek military training areas and attended an annual camp during the summer holidays at Warcop near Penrith. The contingent won the Gun Run competition, which involved taking a cadet artillery gun around a course, dismantling and reassembling it along the way, also one of our cadets was the runner up as best shot. Our association with JCB Academy is running well: they bring 20 cadets each week and 2 members of staff.

DofE remains a big part of the Activities programme. Over 90 pupils take part in Bronze award, 56 Silver and over 40 are aiming to complete Gold. Completion rates are strong and improving, especially at Bronze and Silver. Staff are qualified as expedition assessors which helps to keep the costs down for the expedition section, enabling maximum participation for pupils from all different backgrounds. Outdoor pursuits have continued to thrive at Denstone. This year, the Sunday Climbing Club was well supported with a number of pupils working towards their NICAS and NIBAS awards. 2nd Form visited Challenge Academy at Baggeridge Country Park with all pupils having the opportunity to complete the high ropes course and continue to explore ways to become a better person and develop resilience. The annual diving trip to Malta ran very successfully in October 2023. The annual School ski trip was again very popular.

Charitable Activities

We began the year with the Prep Macmillan Coffee Morning & Cake Sale, which was a delightful success, bringing together students, staff, and parents for a good cause, and raising over £200. We were honoured to host visiting speakers from YMCA Derby, who expressed their gratitude for our continued support. This visit highlighted the strong partnership between our school and the YMCA. Our Harvest Service was a significant event, held in both the Prep School and College. Over 2000 items were donated to YMCA Derby, Burton Hope, and the Foodbank at Renew Church in Uttoxeter, showcasing our community's generosity. The chapel was filled for the Remembrance Service, where we welcomed the Chair of the Derbyshire RBL and members of the Denstone RBL as guests of honour. In November, Cameron Watson shared news of his efforts to install a memorial plaque to fallen ODs at the chapel in Ypres. The Prep also raised over £150 for Children in Need. During Lent Term, students shared their charitable efforts in Tuesday chapel sessions. These included support for Nottingham Hospitals Charity, the Jacob Wells Project, the British Horse Society, the Alzheimer's Society, and initiatives to raise awareness that poverty is not a choice. In the Prep, each house chose their own

DENSTONE COLLEGE LIMITED

DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2024

charity to support: Cedars supported Scropton Riding Centre and raised £495, Oaks supported the Wildlife Trust and raised £371 and Beeches supported Rainbows Hospice and raised £415. In terms of our religious charitable function, we believe that Nathaniel Woodard would be pleased to see so many engaging with what the chapel offers: a foundation of faith for life, a moral compass for their choices, and a place they can call home.

Fundraising Performance

Progress has been made this year in fundraising and the ongoing work of raising voluntary funding for the school. Grants and donations totalled £246k (2023: £340k), including restricted income donations of £34k (2023: £59k). We launched our "Imagine Tomorrow" campaign during the summer and in spring, our "Club 30" regular giving programme. "Imagine Tomorrow" is our philanthropic initiative designed to generate donations for four key funds: Bursaries, Organ Appeal, Denstone Green Initiative, and Area of Greatest Need. "Club 30" appeals to those wishing to make a regular donation as part of our direct debit campaign. We were especially pleased to open our Patrons' Garden towards the end of summer, honouring our most generous benefactors. For this year, the performance of current fundraising, on costs of £137k, was a ratio of 65% against the £212k unrestricted voluntary income raised.

Investment Policy and Objectives

The company's memorandum and articles of association permit funds to be invested in such manner as the directors see fit, providing that such powers of investment are only exercised for the purpose of attaining the objects and in a manner that is legally charitable. For the Advanced Fees Scheme, the aim is to match the return on investments with the maturation profile of the related liability to provide schooling in future years.

Investment activities are managed in line with the requirements of the Trustee Act 2000.

Key Performance Indicators

The Key Performance Indicators (KPIs) used by the school are:

KPI	Target	Actual
Surplus	£0.5m £1.0m before depreciation	£45k investment gains + £511k operating surplus =£556k surplus after depreciation
Pupil Numbers	796	779
Total salaries to net fees	70% of net fees	69% of net fees

Funds held as custodian trustee on behalf of others

Denstone College does not hold funds or act as custodian trustee on behalf of others.

FINANCIAL REVIEW

Results for the Year

The total incoming resources for the year amounted to £15,246k of which the operating surplus on school activities was £556k. This was above our target. This surplus has been achieved against a background of strongly rising operating costs (particularly utilities), so that in the circumstances we consider it a highly satisfactory achievement. Gross income for the year was up by some 8.5% on last year.

Our trading company continues to hire out Denstone College facilities during vacations and school hours, as well as undertaking commercial activity on behalf of the School and externally. The company

DENSTONE COLLEGE LIMITED

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2024

contributed £68k to the school's operating surplus.

The parents of our pupils often make significant sacrifices to pay the fees. In doing so they help to relieve the State of the financial burden of educating 742 UK-based children. The saving is estimated to have a value in the last year of £5,706k. The School is also unable to recover the VAT on purchases it makes. During the past year, Denstone College has paid an estimated £0.4m in irrecoverable VAT on goods and services.

Denstone College provides a pension to some staff under the terms of the Pensions Trust Growth Plan. As a result of this pension scheme being under funded, Denstone College is committed to contributing to a recovery plan. During the course of the year Denstone College made contributions to the recovery plan of £10.5k and the recognised liability under the plan reduced by £23k, with this value being recognised in the Statement of Financial Activities. Further details can be found in note 26.

Reserves Level and Policy, and Financial Viability

Denstone College's policy is to retain sufficient unrestricted income reserves to enable the Company to continue to meet its short-term financial obligations in the event of an unexpected revenue shortfall.

The balance sheet contains a number of non-cash and longer-term liabilities, including those related to pensions. These items are excluded from consideration of the available reserves. Unrestricted funds increased by £476,962 to total £8,068,802, as shown in note 25. Denstone College plans to fund longer term capital expenditure and meet long term liabilities through careful management of resources and investments and through building reserves through operations and trading. The company's unrestricted reserves are primarily invested in tangible fixed assets which are all used for its direct charitable activities when the cash position permits.

In common with most independent schools, and due to the having to fund their own capital investment plans, free reserves are at a negative balance illustrating the extent of the investment in our School. The School's total reserves of £8.6m at the year-end included £0.3m of endowed funds, £0.3m of restricted funds and £8.1m unrestricted designated funds. Denstone College also reserves for £24k of pension-funding deficit. Fixed assets held for charity use totalled £12.1m, leaving a deficit on free reserves of -£4.7m (2023: -£4.3m) at the year-end. The School's financial viability does not depend on income reserves but in its ability to continue to trade at a surplus on an annual basis, and on the substantial portfolio of fixed assets held for operational use. The School does not have, and cannot rely on, permanent endowments. There was a closing cash and bank balance of £4.7m. The School does operate a Fees In Advance scheme and held £3.8m of funds at year-end. Creditors due within one year at year-end totalled £5.4m, with the largest elements, £2.2m, representing fees received in advance of the Michaelmas 2024 Term and the Fees In Advance Scheme £2.0m.

PRINCIPAL RISKS AND UNCERTAINTIES

The governors consider the economic turbulence of recent years and the affordability of fees by parents across the independent sector to be the principal risk faced by the School. The School continues with a healthy pupil roll, but there is no room for complacency. The independent sector as a whole is currently subject to increased political risk following confirmation by the Government that they will remove tax concessions for charitable independent schools, adding VAT and removing business rates relief. There is a significant risk to the independent sector as adding VAT to school fees from 1st January 2025 may make the fees unaffordable for a proportion of parents, potentially affecting school income. The increases in Employer National Insurance present a further cost challenge to the sector.

Health and Safety is always a significant area for risk management. The risks range from fire and damage to infrastructure, to personal risks (most notably when away from the campus on trips and expeditions). The level and breadth of activity at the school is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment.

The governing body is responsible for the identification and management of risks. The major risks to which the charity is exposed, as identified by the Governors, have been reviewed and systems or procedures have been established to manage those risks. Detailed examination of the risks and establishment of controls to mitigate them is delegated to the Executive Officers and the process is overseen by the Compliance Committee. A formal review of the risk management processes is undertaken annually.

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DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2024

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

- the Governors consider possible catastrophic events and ensure that the School has a plan in place to allow education to continue in a range of different scenarios
- the market in which the School operates is highly competitive and we monitor developments in education to ensure that pupils always receive a first class, holistic and varied educational experience in our school
- we strive to ensure that all staff are able to work in a safe and supportive environment and policies, procedures and training in Human Resource management and Health and Safety help to ensure that the School meets expectations
- the School operates in a highly regulated sector, including in matters of child protection, and we appoint appropriate professional advisers to ensure that we can keep up to date with all requirements; school or individual membership of bodies being the constituent associations of the Independent Schools Council also ensure that we have access to up-to-date information and support
- the School operates in an increasingly litigious environment, and we appoint appropriate professional advisers and purchase insurance using specialist brokers and advisers to ensure that we can keep up to date with all requirements and meet all challenges
- all organisations face difficult economic conditions, particularly in relation to the impact of inflation, and Directors and senior managers in the School keep abreast of economic conditions locally, nationally and internationally to identify trends and develop plans to address issues

The key controls used by the School include:

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

Financial risk management objectives and policies

The School uses financial instruments, other than derivatives, comprising loans, cash and other liquid resources and various other items such as trade debtors, creditors and finance lease arrangements that arise directly from operations. The main purpose of these financial instruments is to raise finance for the School's operations.

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

- Liquidity risk – the School seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs by negotiating adequate facilities with our bank.
- Interest rate risk – the School finances operations through a mixture of retained surpluses and bank and other borrowings. The exposure to interest rate fluctuations is managed by the use of both fixed and floating facilities.

GOING CONCERN

It has been a turbulent few years for independent schools, and businesses in general, following the COVID-19 pandemic, the war in Ukraine and then associated high inflationary cost pressures on purchased goods and services and utilities. Elections resulting in changes in world leaders have also contributed to the unsettled state of the world economy. In terms of current issues, the Government budget announcements on October 30th 2024 confirmed two known items:

- that of VAT at 20% is to be added to school fees from 1st January 2025, replacing the exempt status previously allocated to education;
- the removal of Business Rate Relief from April 2025, meaning payment of 100% rather than 20%.

DENSTONE COLLEGE LIMITED

DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2024

Further to that, a significant increase in Employers' National Insurance was also announced. This element was unexpected and unbudgeted. A target savings plan was created and then approved by Governors in November 2024, aimed at delivering the same level of surplus for academic year 2024/25. The 2024/25 plans show delivery of a modest surplus.

Having considered all factors and after reviewing the available evidence, including the level of cash, the directors have a reasonable expectation that the School will be able to continue operating for the foreseeable future and the financial statements have been prepared on a going concern basis. Further details related to the adoption of the going concern basis can be found in the accounting policies on page 24.

FUTURE PLANS

The key objectives of the current plan are:

- To maintain steady growth of pupil numbers for consistent increases within our determined capacity.
- To focus efforts on non-fee-based revenue through private lettings (managed by Denstone College Enterprises Ltd) and through fundraising efforts of Denstone Foundation.
- To continue our partnership work with local organisations – particularly educational links.
- To continue to grow the strength and size of The Prep at Denstone College (aged 4-11).
- To widen access to the School still further through the provision of means-tested bursaries.

DIRECTORS

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

Prof N T Ratcliffe (Chair)	Education, Finance and General Purpose, Remuneration. Also invited to attend other committees in capacity as Chair.
Mr A D Coley (Deputy Chair)	Development, Finance & General Purpose, Remuneration
Mr D T Brown	Finance & General Purpose
Mr M F Coffin	Development, Finance & General Purpose
Mr D A Cooper	Compliance, Education, Finance & General Purpose
Mr B W Hinton (resigned 14 March 2024)	Education, IT
Capt. M Huddy	Compliance, Education, Finance & General Purpose, IT, Safeguarding
Mr H R Jones (appointed 19 June 2024)	Education, Safeguarding
Mr C J Lewis	Credit, Development, Finance & General Purpose
Mrs J J Marshall	Education
Mr G T McAloon (appointed 14 March 2024)	Compliance, Education, People
Mrs B A McNally-Young	IT, People, Remuneration
Mr J C Sampson	Development
Mr Q Siddiqi	Compliance, Safeguarding

None of the directors has any beneficial interest in the company. Denstone College buys trustees and officers insurance on behalf of the Directors.

Exemptions from disclosure

Denstone College has not taken advantage of any exemption from disclosure in relation to trustee details.

AUDITORS

Following a competitive tender process, Moore Kingston Smith LLP were appointed as the company's external auditors at the Annual General Meeting held on 23rd May 2024, for the year to 31 August 2024 onwards. As a consequence, RSM UK Audit LLP did not offer themselves for reappointment under section 487 (2) of the Companies Act 2006. The Board would like to express its appreciation to RSM for their services over the past seven years.

DENSTONE COLLEGE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DENSTONE COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2024

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' Report, the Strategic Report included within the Directors' Report and the financial statements in accordance with applicable law and regulations.

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

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group and the company for that period.

In preparing each of the group and company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

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

The Directors confirm that:

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

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

Approved by the Board of Directors of Denstone College on 17/01/25, including, in their capacity as company directors, approving the Directors' and Strategic Reports contained therein, and signed on its behalf by:


Malcolm Coffin (Jan 21, 2025 11:31 GMT)

Mr M F Coffin
Chair of Finance & General Purpose Committee

DENSTONE COLLEGE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DENSTONE COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2024

Opinion

We have audited the financial statements of Denstone College Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2024 which comprise the Consolidated Statements of Financial Activities (including an Income and Expenditure Account), Company Statements of Financial Activities (including an Income and Expenditure Account), the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' 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 group's or the parent 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 Directors 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 Annual Report other than the financial statements and our auditor's report thereon. The Directors 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

DENSTONE COLLEGE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DENSTONE COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2024

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 Directors' Report which includes the Directors' Report and the Strategic Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report, included within the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' responsibilities set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

- As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

DENSTONE COLLEGE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DENSTONE COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2024

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.
- There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error,

DENSTONE COLLEGE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DENSTONE COLLEGE LIMITED *YEAR ENDED 31ST AUGUST 2024*

as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

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

Robert Kersse (Senior Statutory Auditor)
For and on behalf of Moore Kingston Smith LLP, Statutory Auditor
Chartered Accountants
9 Appold Street
London
EC2A 2AP
17/01/25

DENSTONE COLLEGE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) YEAR ENDED 31ST AUGUST 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total 2024 £	Total 2023 £
Income and endowments from:						
Charitable Activities						
School fees receivable	2	13,420,060	-	-	13,420,060	12,446,930
Ancillary trading income	3	1,052,123	-	-	1,052,123	1,007,869
Other trading activities						
Non-ancillary trading income	4	486,828	-	-	486,828	214,686
Investments						
Investment income	5	-	3,674	11,050	14,724	14,391
Bank and other interest	6	26,378	-	-	26,378	6,879
Other – Grants and donations						
Grants and donations	7	211,656	34,494	-	246,150	340,260
Other incoming resources						
TOTAL INCOMING RESOURCES	25	15,197,045	38,168	11,050	15,246,263	14,030,269
Expenditure on:						
Raising funds						
Non-ancillary trading	8	325,768	-	-	325,768	285,739
Other income generating activities						
Financing costs	9	152,563	-	-	152,563	148,366
Investment management		-	501	2283	2,784	2,720
Fundraising and development		24,043	-	-	24,043	35,944
TOTAL DEDUCTIBLE COSTS		502,374	501	2283	505,158	472,769
Charitable Activities						
Education and grant making	8	14,217,709	-	10,747	14,228,456	13,167,320
TOTAL EXPENDITURE		14,720,083	501	13,030	14,733,614	13,640,409
Net gains/(losses) on investment assets	14	-	10,137	33,568	43,705	(3,637)
Net income/(expenditure)		476,962	47,804	31,588	556,354	386,543
Transfers between funds		-	-	-	-	-
Other recognised gains/(losses)		-	-	-	-	-
Pension scheme actuarial (losses)/gains		-	-	-	-	-
Net Movement in funds for the year		476,962	47,804	31,588	556,354	386,543
Fund balances at 1st September		7,591,840	214,857	285,790	8,092,487	7,705,944
FUND BALANCES AS AT 31ST AUGUST		8,068,802	262,661	317,378	8,648,841	8,092,487

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The notes on pages 24 to 52 form part of these financial statements.

DENSTONE COLLEGE LIMITED

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) YEAR ENDED 31ST AUGUST 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total 2024 £	Total 2023 £
Income and endowments from:						
Charitable Activities						
School fees receivable	2	13,420,060	-	-	13,420,060	12,446,930
Ancillary trading income	3	927,755	-	-	927,755	862,818
Other trading activities						
Non-ancillary trading income	4	207,094	-	-	207,094	69,308
Investments						
Investment income	5	-	3,674	11,050	14,724	14,391
Bank and other interest	6	25,457	-	-	25,457	6,860
Other – Grants and donations						
Grants and donations	7	211,656	34,494	-	246,150	340,368
Other incoming resources						
TOTAL INCOMING RESOURCES	25	14,792,022	38,168	11,050	14,841,240	13,740,675
Expenditure on:						
Raising funds						
Non-ancillary trading	8					
Other income generating activities						
Financing costs	9	135,771	-	-	135,771	146,943
Investment management	8	-	501	2,283	2,784	2,720
Fundraising and development		24,043	-	-	24,043	35,944
TOTAL DEDUCTIBLE COSTS		159,814	501	2,283	162,598	185,607
Charitable Activities						
Education and grant making	8	14,155,246	-	10,747	14,165,993	13,164,888
TOTAL EXPENDITURE		14,315,060	501	13,030	14,328,591	13,350,495
Net gains/(losses) on investment assets	14	-	10,137	33,568	43,705	(3,637)
Net income/(expenditure)		476,962	47,804	31,588	556,354	386,543
Transfers between funds		-	-	-	-	-
Other recognised gains/(losses)		-	-	-	-	-
Pension scheme actuarial (losses)/gains		-	-	-	-	-
Net Movement in funds for the year		476,962	47,804	31,588	556,354	386,543
Fund balances at 1st September		7,590,564	214,857	285,790	8,091,211	7,703,964
FUND BALANCES AS AT 31ST AUGUST		8,067,526	262,661	317,378	8,647,565	8,090,507

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The notes on pages 24 to 52 form part of these financial statements.

DENSTONE COLLEGE LIMITED

CONSOLIDATED AND CHARITY BALANCE SHEETS AS AT 31ST AUGUST 2024

	Note	Group 2024 £	2023 £	Charity 2024 £	2023 £
FIXED ASSETS					
Tangible assets	13	12,130,720	12,298,363	12,112,285	12,284,258
Investments	14	467,134	425,971	467,134	425,971
		12,597,854	12,724,334	12,579,419	12,710,229
CURRENT ASSETS					
Stock		7,465	48,808	-	-
Debtors	15	421,792	257,238	514,238	365,925
Cash at bank and in hand		4,745,331	1,035,527	4,655,781	963,054
		5,129,588	1,341,573	5,170,019	1,328,979
CURRENT LIABILITIES					
Creditors payable within one year	16	(5,310,583)	(3,612,701)	(5,288,855)	(3,587,979)
NET CURRENT ASSETS/(LIABILITIES)		(135,995)	(2,271,128)	(118,836)	(2,259,000)
TOTAL ASSETS LESS CURRENT LIABILITIES		12,461,859	10,453,206	12,460,583	10,451,229
LONG TERM LIABILITIES					
Creditors payable after one year	17	(3,788,653)	(2,313,542)	(3,788,653)	(2,313,542)
Provisions for liabilities	26	(24,265)	(47,080)	(24,265)	(47,080)
NET ASSETS		8,648,941	8,092,587	8,647,665	8,090,607
REPRESENTED BY: CALLED UP SHARE CAPITAL	22	100	100	100	100
ENDOWED FUNDS	25	317,378	285,790	317,378	285,790
RESTRICTED FUNDS	25	262,661	214,857	262,661	214,857
UNRESTRICTED FUNDS					
General reserve	25	8,068,802	7,591,840	8,068,526	7,589,860
Pension reserve	26				
		8,648,941	8,092,587	8,648,665	8,090,607

The financial statements were approved and authorised for issue by the Board on 17/01/25 and signed on its behalf by

Malcolm Coffin
Malcolm Coffin (Jan 21, 2025 11:31 GMT)

Mr M F Coffin
Chair of Finance & General Purpose Committee

Company registration number 1102588.

The notes on pages 24 to 52 form part of these financial statements.

DENSTONE COLLEGE LIMITED

CONSOLIDATED CASH FLOW STATEMENT AS AT 31ST AUGUST 2024

	Notes	2024 £'000	2023 £'000
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	27	2,674,323	920,330
Cash flows from investing activities:			
Dividends, interest and rents from investments		14,724	21,270
Proceeds from the sale of property, plant and equipment		-	3,000
Purchase of property, plant and equipment		(305,973)	(1,346,466)
Proceeds from sale of investments		-	-
Purchase of investments		-	-
Net cash provided by (used in) investing activities		(291,249)	(1,322,196)
Cash flows from financing activities:			
Repayments of borrowing		(97,437)	(96,912)
Cash inflows from new borrowing		-	39,744
Financing costs		(152,563)	(148,366)
Fees in advance – new contracts		1,776,262	-
Fees in advance – repayment of deposits		-	-
Fees in advance – payment of fees		(199,534)	-
Receipt of endowment		-	-
Net cash provided by (used in) financing activities		1,326,729	(205,534)
Change in cash and cash equivalents in the year		3,709,802	(607,400)
Cash and cash equivalents at the beginning of the year		1,035,529	1,642,929
Cash and cash equivalents at the end of the year	28	4,745,331	1,035,529

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

1. ACCOUNTING POLICIES

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

a) Basis of Accounting

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

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

The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Further details are provided in note 36, and in the accounting policies for depreciation of fixed assets, for pensions and for bad debts. The financial statements are presented in sterling (£) and the functional currency is sterling (£).

b) Going Concern

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

It has been a turbulent few years for independent schools, and businesses in general, following the COVID-19 pandemic, the war in Ukraine and then associated high inflationary cost pressures on purchased goods and services and utilities. Elections resulting in changes in world leaders have also contributed to the unsettled state of the world economy. In terms of current issues, the Government budget announcements on October 30th 2024 confirmed two known items:

- that of VAT at 20% is to be added to school fees from 1st January 2025, replacing the exempt status previously allocated to education;
- the removal of Business Rate Relief from April 2025, meaning payment of 100% rather than 20%.

Further to that, a significant increase in Employers' National Insurance was also announced. This element was unexpected and unbudgeted. A target savings plan was created and then approved by Governors in November 2024, aimed at delivering the same level of surplus for academic year 2024/25. The 2024/25 plans show delivery of a modest surplus.

Having considered all factors and reviewing the available evidence, the Directors have a reasonable expectation that the group will be able to continue operating for the foreseeable future and the financial statements have been prepared on a going concern basis.

c) Group Accounts

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

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

d) **School Fees Receivable and Similar Income**

Fees receivable and other educational income are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions by the school, but include contributions received from restricted funds for scholarships, bursaries and other grants. Fees in Advance Scheme Contracts are those fees received in advance of education to be provided in future years under a specific contract. The fees are either held as investments in interest bearing assets until taken to income to match liabilities in the term when used, or refunded, or they are held within the unrestricted reserves of the school. Any surplus of assets over liabilities is held within the fund as a buffer. Debts are provided for if not recovered within one term. Estimating amounts to provide against recovery of debts is a matter of judgement.

e) **Ancillary and Non-Ancillary Trading Income**

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

f) **Voluntary sources, Grants and Donations**

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

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

g) **Expenditure**

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

h) **Finance and Other Costs**

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

i) **Pension Costs**

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

The company offers membership of the Pensions Trust Growth Plan to employees other than the full-time academic staff. The Pensions Trust Growth Plan is a multi-employer pension scheme where the scheme assets are pooled for investment purposes and cannot be attributed to individual employers. Benefits are paid from the total scheme assets. It is in most respects a money purchase arrangement, but has some guarantees. As a result it is not possible or appropriate to identify the assets and liabilities of the scheme which are attributable to the company, though, due to the guarantees inherent in the scheme, the companies remain potentially liable for a debt on withdrawal from the scheme. In accordance with Financial Reporting Standard (FRS) 102 (section 28) therefore, the scheme is accounted for in a fashion

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

which is similar to a defined contribution scheme.

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises. More detail is given in notes 26 and 36.

The School also offers an alternative to the TPS for teaching colleagues. The provision is from Royal London and is a Contract Based Defined Contribution scheme. This type of scheme involves the build-up of funds/contributions that may be used to provide a combination of cash and income on retirement. Royal London is a mutual insurer which means that it is owned by its policyholders, not shareholders.

j) **Tangible Fixed Assets and Depreciation**

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

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

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

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

Freehold Buildings	- Variable according to the building and written off over the expected useful life (see paragraph below)
Freehold improvements	- Over the useful economic life of the improvement
Plant and equipment	- Plant 10% on cost and 25% on cost
Fixtures, fittings and equipment	- 10% on cost and 25% on cost
Computer equipment	- 25% on cost
Motor vehicles	- 25% on cost

Freehold land is not depreciated.

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

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

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

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

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

k) **Financial Instruments**

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

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

Investments and Fees in Advance investments are carried at fair value, which is deemed to be market value as at the balance sheet date.

Realised and unrealised investment gains and losses are recognised as 'net gains/(losses) on investment assets' in the Statement of Financial Activities and are allocated to the appropriate fund according to the 'ownership' of the underlying assets.

m) **Stocks**

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

n) **Leasing Commitments**

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

o) **Fee Deposits**

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

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

p) **Fund Accounts**

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

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

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

q) **Taxation**

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

The School has a subsidiary company that is subject to taxes including corporation tax and VAT in the same way as any commercial organisation. The tax charged to the profit and loss

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS *YEAR ENDED 31ST AUGUST 2024*

account is based on the subsidiary company's profit for the year and takes into account tax arising because of timing differences between the treatment of certain items for tax and accounting purposes.

The subsidiary company distributes the majority of its profits to Denstone College under Gift Aid and tax liabilities are kept to a minimum.

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

2. CHARITABLE ACTIVITIES - SCHOOL FEES RECEIVABLE

	2024 £	2023 £
The school fees income comprises		
Gross fees	15,612,815	14,379,472
Less: Total scholarships, bursaries, etc	(2,192,755)	(1,932,542)
Add back: Scholarships, Grants etc paid for by Restricted Funds	-	-
	13,420,060	12,446,930

Scholarships, bursaries and other awards were paid to 309 pupils (2023: 333 pupils). Within this, means-tested bursaries totalling £622,235 were paid to 99 pupils (2023: £552,454 to 49 pupils).

3. CHARITABLE ACTIVITIES – ANCILLARY TRADING INCOME

	2024 £	2023 £
Extras	422,017	386,660
Entrance fees and registration fees	19,700	21,100
Pupil transport	480,957	417,094
Sundry other income	129,449	183,015
	1,052,123	1,007,869

4. OTHER TRADING ACTIVITIES

	2024 £	2023 £
Non-ancillary trading income		
Denstone College Enterprise company trading turnover	302,187	139,273
Rents receivable	507	1,291
Interest receivable – pupil bills	5,768	2,433
Other non-ancillary trading income	178,366	71,689
	486,828	214,686

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

5. INVESTMENTS - INVESTMENT INCOME

	Unrestricted	Restricted	Endowed	Total 2024 £	Total 2023 £
	£	£	£		
Investment income					
Equities	-	1,760	6,441	8,201	4,740
Fixed interest	-	1,609	2,566	4,175	8,085
Other	-	305	2,043	2,348	1,566
Cash	-	-	-	-	-
	-	3,674	11,050	14,724	14,391
Rents receivable	507	-	-	507	1,291
	507	3,675	11,050	15,231	15,682

6. INVESTMENTS - BANK AND OTHER INTEREST RECEIVABLE

	Unrestricted	Restricted	Endowed	Total 2024 £	Total 2023 £
Bank interest	26,378	-	-	26,378	6,879
Other interest	-	-	-	-	-
	26,378	-	-	26,378	6,879

7. OTHER - GRANTS AND DONATIONS

	Unrestricted	Restricted	Endowed	Total 2024 £	Total 2023 £
Grants to Denstone College from:					
Old Denstonians	-	-	-	-	35,596
Woodard (S Manor)	-	-	-	-	170,000
JCB	200,000	-	-	200,000	100,000
DC Foundation	11,656	34,494	-	46,150	34,664
	211,656	34,494	-	246,150	340,260

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

8. ANALYSIS OF EXPENDITURE

a) Total expenditure

	Staff costs (note 10) £	Support costs £	Depreciation (Note 13) £	Total 2024 £	Total 2023 £
Costs of raising funds					
Non-ancillary trading	95,778	221,820	8,170	325,768	285,739
Other income	-	-	-	-	-
generating activities					
Financing cost (note 9)	-	152,563	-	152,563	148,366
Investment	-	2,784	-	2,784	2,720
management					
Fundraising and development	-	24,043	-	24,043	35,944
Total cost of generating funds	95,778	401,210	8,170	505,158	472,769
Charitable expenditure					
Teaching	6,644,331	1,012,329	7,811	7,664,471	6,971,655
Welfare	777,019	538,036	-	1,315,055	1,297,767
Premises	1,014,473	1,523,507	457,638	2,995,618	2,787,594
School administration	1,172,768	1,066,417	0	2,239,185	2,094,499
Grants awards and prizes (note 8b)	-	11,074	-	11,074	11,275
Governance	-	3,053	-	3,053	4,531
Education and grant making	9,608,591	4,154,416	465,449	14,228,456	13,167,320
Total Expenditure	9,704,369	4,555,626	473,619	14,733,614	13,640,089

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

8. ANALYSIS OF EXPENDITURE (Continued)

b) Grants, awards and prizes

Denstone College makes awards to individual families to support schooling.

	2024 £	2023 £
From Endowed Funds:		
Other grants and awards	11,074	10,104
From Unrestricted Funds:		
Other grants and awards	-	1,171
	11,074	11,275

c) Total resources expended include:

Denstone College reimburses Governors for out of pocket expenses including travel subsistence and accommodation, where a claim is made. One (2023:one) Governor was reimbursed £304 during the year (2023: £384).

	2024 £	2023 £
Remuneration paid to auditor for audit services	22,920	37,780
Additional remuneration paid to auditor for prior year	14,400	-
Remuneration paid to auditor for non-audit services	-	1,140
Depreciation of tangible fixed assets:		
- owned by the Charitable Company	473,619	403,145
- held under finance leases and hire purchase contracts	-	-
(Profit)/loss on disposal of fixed assets	-	(750)
Operating lease rentals:		
- land and buildings	-	-
- other assets	155,241	132,897
Reimbursement of personal expenses to governors	304	384

9. FINANCING COSTS

	2024 £	2023 £
Bank interest payable	85,940	81,333
Fees In Advance debt financing costs	2,017	11,012
Pension Scheme financing cost	1,662	2,504
Bank charges	15,575	12,990
Provision for bad and doubtful debts	47,369	40,527
	152,563	148,366

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

10. STAFF COSTS

	2024 £	2023 £
The aggregate payroll costs for the year were:		
Wages and salaries	7,848,749	7,271,226
Social security costs	800,112	686,817
Other pension costs	1,050,334	953,405
Private medical insurance	5,174	4,529
	9,704,369	8,915,977

Included in staff costs are redundancy or termination payments totalling £30k (2023: £22k). The amount outstanding at the year-end was £0 (2023: £0).

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

The Head and Bursar/CFO are classed by the school as being the Key Management Personnel.

	2024 £	2023 £
Aggregate employee benefits of key management personnel	246,689	235,879

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

	2024 No	2023 No
£60,001 - £70,000	11	8
£70,001 - £80,000	4	-
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£100,001 - £110,000	1	1

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

10. STAFF COSTS (Continued)

The average number of employees during the year calculated on a head count basis, was 254 (2023: 245)

	2024 No	2023 No
Teaching	105	99
Welfare	32	30
Premises	39	36
Support	71	75
Other activities	7	5
	<hr/> 254 <hr/>	<hr/> 245 <hr/>

11. DIRECTORS

None of the directors (or any persons connected with them) received any remuneration during the year. Scholarships totalling £0 were awarded to children of directors attending the school (2023: £0).

During the year, 1 (2023 :1) director received reimbursement of travel expenses totalling £304 (2023: £384).

12. TAXATION

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

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

13. TANGIBLE FIXED ASSETS

Group and company	Freehold Land & Buildings £	Under Construction £	Fixtures, Fittings & Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost						
At 1 st September 2023	13,622,311	325,233	1,482,126	704,222	52,213	16,186,105
Prior year gifted items	-	-	21,600	-	18,000	39,600
Additions	26,921	-	266,552	-	12,500	305,973
Disposals	-	-	-	-	-	-
Transfers	71,532	(325,233)	253,701	-	-	-
At 31st August 2024	13,720,764	-	2,023,979	704,222	82,713	16,531,678
Depreciation						
At 1 st September 2023	2,334,687	-	841,256	681,038	30,758	3,887,739
Prior year gifted items	-	-	21,600	-	18,000	39,600
Charge for the year	316,194	-	138,129	8,211	11,085	473,619
At 31st August 2024	2,650,881	-	1,000,985	689,249	59,843	4,400,958
Net book value at 31st August 2024	11,069,883	-	1,022,994	14,973	22,870	12,130,720
Net book value at 31 st August 2023	11,287,624	325,233	640,870	23,184	21,455	12,298,366

All assets are used for charitable purposes.

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

14. INVESTMENTS

	Investments 2024 £	2023 £
Group investments		
At 1 September	425,971	435,178
New money invested	-	14,391
Reinvested income	-	(17,243)
Amounts extracted	-	(2,718)
Investment management fees	(2,699)	(492)
Realised gains/(losses) on investments	6,200	(3,145)
Unrealised gains/(losses) on investments	37,505	-
Movement in uninvested cash	157	-
Group investments at 31 August	467,134	425,971
Investment in subsidiaries	100	100
Company investments at 31 August	467,234	426,071
Investments comprise:		
Listed investments		
Fixed interest	99,965	94,407
Equities	327,208	295,213
Multi-asset funds	-	-
Unlisted investments		
Land and buildings	-	-
Other	33,670	34,971
Cash	6,291	1,380
Group investments at 31 August	467,134	425,971
Investment in subsidiaries	100	100
Company investments at 31 August	467,234	426,071

Denstone College owns all of the share capital of Denstone College Enterprises Limited, a company incorporated in England/Wales. Further details are provided in note 30.

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

The main Investments are managed for Denstone College by Cazenove. All investments are managed and held in the UK.

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

15. DEBTORS

	Group 2024 £	2023 £	Company 2024 £	2023 £
School fees receivable	53,033	57,161	53,033	57,161
Trade debtors	60,240	5,698	37,448	(272)
Other debtors	35,315	24,676	33,168	19,114
Tax Recoverable	45,000	-	-	-
Prepayments and accrued income	228,204	169,703	222,812	166,114
Amounts due from subsidiary company	-	-	167,777	123,808
	421,792	257,238	514,238	365,925

School fees receivable are net of £23,043 (2023: £48,527) provided for doubtful debts.

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

16. CREDITORS: amounts falling due within one year

	Group 2024 £	2023 £	Company 2024 £	2023 £
Bank loans and overdrafts (note 18)	117,174	103,781	117,174	103,781
Other loans		-		-
Deposits from parents	47,000	44,667	47,000	44,667
Fees received from parents in advance of term	2,197,641	2,128,108	2,197,641	2,128,108
Trade creditors	118,996	364,348	113,065	349,582
Taxation and social security	298,827	188,036	288,930	182,694
Other creditors	267,107	293,626	265,357	290,662
Fees in Advance Scheme (note 19)	1,988,077	236,100	1,988,077	236,100
Accruals	275,761	254,035	271,611	252,385
	<u>5,310,583</u>	<u>3,612,701</u>	<u>5,288,855</u>	<u>3,587,979</u>

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

17. CREDITORS: amounts falling due after one year

	Group 2024 £	2023 £	Company 2024 £	2023 £
Bank loans and overdrafts (note 18)	1,607,571	1,718,401	1,607,571	1,718,401
Deposits from parents	311,252	302,038	311,252	302,038
Fees in Advance Scheme (note 19)	1,869,830	293,103	1,869,830	293,103
	3,788,653	2,313,542	3,788,653	2,313,542

Parents pay to the school a deposit of £600 (different values in earlier years) in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils all remain in the school (which the vast majority do based on historical information), we record the deposits for students as due after one year, with the exception of students in the Upper Sixth form.

18. BANK LOAN

	2024 £	2023 £
The bank loan is repayable in instalments		
Due after 5 years	1,108,779	1,272,491
Due within 2 to 5 years	378,776	338,884
Due within 1 to 2 years	120,016	107,026
Due after more than one year	1,607,571	1,718,401
Due within 1 year	117,174	103,781
	1,724,745	1,822,182

Denstone College has a bank loan from Lloyds Bank Plc. The loan is secured by charges on the school's assets. A commercial loan was utilised to fund the first stage of the Prep school on an interest-only basis until March 2022. This loan was converted to include capital repayment from March 2022 and is repayable over 15 years.

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

19. FEES IN ADVANCE SCHEME

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

	2024 £	2023 £
After 5 years		-
Within 2 to 5 years	402,121	130,023
Within 1 to 2 years	1,467,709	163,080
Due after more than one year	1,869,830	293,103
Within 1 year	1,988,078	236,100
	3,857,908	529,203

Summary of movements in liability

	£
Balance at 1 September 2023	529,203
New contracts	3,528,239
Repayments	-
Amounts used to pay fees	(199,534)
Balance at 31 August 2024	3,857,908

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

20. FINANCIAL INSTRUMENTS

	2024 £	2023 £
FINANCIAL ASSETS:		
Debt instruments at amortised cost		
Trade debtors	60,240	5,698
Other debtors	439,328	251,540
Accrued income	-	-
	499,568	257,238
Equity instruments at cost less impairment/ FV through P&L		
Trade investments	467,134	425,971
	467,134	425,971
FINANCIAL LIABILITIES:		
Financial liabilities at amortised cost		
Trade creditors	118,996	364,348
Group creditors	-	-
Other creditors	6,989,510	3,478,978
Accruals	275,761	248,035
Borrowings - bank and debenture loans	1,724,745	1,822,182
	9,109,012	5,913,543

21. COMMITMENTS UNDER OPERATING LEASES

	2024 £	Other 2023 £
Within 1 year	141,365	166,396
Within 1 to 5 years	86,967	73,133
After 5 years	-	-
	228,332	239,529

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

22. SHARE CAPITAL

	2024 £	2023 £
Authorised		
100 Ordinary Shares of £1 each	100	100
Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	100	100

23. FUNDS

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

a) ENDOWED FUNDS

Special Endowment

The Special Endowment funds of the company include a number of individual trust and prize funds set up by donors as permanent capital. The income generated is restricted to funding scholarships, bursaries, grants and prizes.

b) RESTRICTED FUNDS

The benefit fund is held in trust by the Woodard Corporation to assist former pupils by contributing towards the School fees of their children or dependents or in such a manner (being exclusively charitable) as the Trustees consider for their benefit. The fund has been built up by voluntary contributions. The College Council has power to determine on behalf of the Trustees which pupils shall receive benefit and the nature and extent of such benefit. The purpose is to provide financial support to pupils whose family circumstances would otherwise prevent them from attending the College.

c) UNRESTRICTED FUNDS

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

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Unrestricted £	Restricted £	Endowed £	Total 2024 £	Total 2023 £
Tangible fixed assets	12,130,720	-	-	12,130,720	12,298,366
Investments	-	122,756	344,378	467,134	425,971
Net current (liabilities)/assets	(249,000)	139,905	(27,000)	(136,095)	(2,271,128)
Long term liabilities	(3,812,918)	-	-	(3,812,918)	(2,360,622)
	<u>8,068,802</u>	<u>262,661</u>	<u>317,378</u>	<u>8,648,841</u>	<u>8,092,587</u>
Charity	Unrestricted £	Restricted £	Endowed £	Total 2024 £	Total 2023 £
Tangible fixed assets	12,112,285	-	-	12,112,285	12,284,258
Investments	100	122,756	344,378	467,234	425,971
Net current (liabilities)/assets	(231,841)	139,905	(27,000)	(118,936)	(2,259,000)
Long term liabilities	(3,812,918)	-	-	(3,812,918)	(2,360,622)
	<u>8,067,626</u>	<u>262,661</u>	<u>317,378</u>	<u>8,647,665</u>	<u>8,090,607</u>

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

25. SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	At 1 Sept 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	At 31 August 2024 £
Endowed Expendable						
Bursary Fund						
School	227,624	11,050	(13,030)	-	-	225,644
Revaluation Reserve	58,166	-	-	-	33,568	91,734
	<u>285,790</u>	<u>11,050</u>	<u>(13,030)</u>	<u>-</u>	<u>33,568</u>	<u>317,378</u>
Total Endowment	<u>285,790</u>	<u>11,050</u>	<u>(13,030)</u>	<u>-</u>	<u>33,568</u>	<u>317,378</u>
Restricted Funds						
Scholarships, bursary & prizes	177,745	38,168	(501)	-	-	215,412
Revaluation Reserve	37,112	-	-	-	10,137	47,249
	<u>214,857</u>	<u>38,168</u>	<u>(501)</u>	<u>-</u>	<u>10,137</u>	<u>262,661</u>
Unrestricted Funds						
General Reserve	7,591,840	15,197,045	(14,720,083)	-	-	8,068,802
	<u>7,591,840</u>	<u>15,197,045</u>	<u>(14,720,083)</u>	<u>-</u>	<u>-</u>	<u>8,068,802</u>
Total Funds	<u>8,092,487</u>	<u>15,246,263</u>	<u>(14,733,614)</u>	<u>-</u>	<u>43,705</u>	<u>8,648,841</u>

Note 24 provides details of the individual funds.

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

26. PENSION SCHEMES

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £880k (2023: £854k) and at the year-end £0 (2023 - £0) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023.

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

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

Pensions Trust Growth Plan

The school participates in the TPT Retirement Solutions - The Growth Plan, which is a multi-employer scheme providing benefits to over 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the school to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for it as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the school is potentially liable for other participating employers' obligations if those employers are unable to meet their share of scheme deficits following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficits on an annuity purchase basis on withdrawal from the scheme.

Summary of provision for pension deficit recovery plan

	Company 2024 £'000	2023 £'000
TPT Retirement Solutions - The Growth Plan	24	47

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

TPT Retirement Solutions - The Growth Plan Deficit Contributions

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

From 1 April 2022 to 31 January 2025:	£3.312 m per annum
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Unless a concession has been agreed with the Trustee the term to 31st January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows.

From 1 April 2019 to 30 September 2025:	£11.243 m per annum (payable monthly and increasing by 3% each on 1 st April)
---	--

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

26. PENSION SCHEMES (Continued)

Present Values of Provision	2024 £000	2023 £000
Present value of provision	4	14
Reconciliation of opening and closing provisions	2024 £000	2023 £000
Provision at 1 September	14	57
Unwinding of the discount factor	1	1
Deficit contribution paid	(11)	(11)
Remeasurements - impact of any change in assumptions	-	-
Remeasurements - amendments to the contribution schedule	-	-
Provision at 31 August	4	47

Income and expenditure impact	2024 £000	2023 £000
Interest expense	1	1
Unwinding of the discount factor	-	-
Remeasurements - impact of any change in assumptions	-	-
Remeasurements - amendments to the contribution schedule	-	-
Contributions paid in respect of future service *	-	-
Costs recognised in income and expenditure account	-	12

Assumptions	2024 % per annum	2023 % per annum
Rate of discount	5.13	6.04

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

Deficit Contributions Schedule

The following schedule shows the deficit contributions agreed between the company and the scheme at each year end period:

	2024 £000	2023 £000
Year 1	4	24
Year 2	-	23

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

26. PENSION SCHEMES (Continued)

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

The current valuation does not reflect the expected increase in benefits and therefore liability as a result of Guaranteed Minimum Pension ('GMP') equalisation between men and women which is required as a result of the removal of the Additional State Pension. Methodologies for a long-term solution are still being investigated by the Government as set out in the published (January 2018) outcome of the Government Consultation 'Indexation and Equalisation of GMP in Public Sector Pensions Schemes' and therefore the expected impact cannot be reliably estimated and consequently no provision/liability has been recognised.

Royal London – Defined Contribution Pension Scheme

On 1st January 2022 the Royal London pension scheme was opened to newly recruited teachers in place of the Teachers' Pension Scheme and has also been made available to our existing teachers as an alternative option to the Teachers' Pension Scheme. The group made total employer contributions to this defined contribution scheme of £351,546 (2023 £239,712). As this scheme is solely a defined contribution scheme there are no scheme liabilities to report.

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

	2024 £	2023 £
Net income for the period (as per the Statement of Financial Activities)	556,354	386,543
Adjustments for		
Depreciation charges	473,619	403,145
(Gains)/losses on investments	(43,881)	6,489
Dividends, interest, and rents from investments	(14,724)	(14,391)
Financing costs	152,563	148,366
Investment Management Fee	2,699	2,720
Loss/(profit) on the sale of fixed assets	-	(750)
(Increase)/decrease in stocks	41,343	36,439
(Increase)/decrease in debtors	(164,555)	251,823
Increase/(decrease) in creditors	1,670,904	(300,054)
Net cash provided by (used in) operating activities	2,674,322	920,330

28. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash in hand and at bank	4,745,331	1,035,528
Overdraft facilities repayable on demand	-	-
Total cash and cash equivalents	4,745,331	1,035,528

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

29. ANALYSIS OF CHANGES IN NET DEBT

	At 1 st Sept 2023	Cash flows	Other non- cash changes	At 31 st Aug 2024
	£	£	£	£
Cash and cash equivalents				
Cash	1,035,528	3,709,803	-	4,745,331
Overdraft facility repayable on demand				
	<u>1,035,528</u>	<u>3,709,803</u>	<u>-</u>	<u>4,745,331</u>
Borrowings				
Loans falling due within one year	(103,781)	(13,393)	-	(117,174)
Loans falling due after more than one year	(1,718,401)	110,830	-	(1,607,571)
Finance lease obligations	-	-	-	-
	<u>(1,822,182)</u>	<u>97,437</u>	<u>-</u>	<u>(1,724,745)</u>
Total	<u><u>(786,654)</u></u>	<u><u>3,807,240</u></u>	<u><u>-</u></u>	<u><u>3,020,586</u></u>

30. SUBSIDIARIES

The Company owns all of the share capital of Denstone College Enterprises Limited, a company incorporated in England and Wales (Company number: 05181951). This company carries out trading activity on behalf of the School including commercial letting and sales from the School's tuck shop.

Denstone College Enterprises Limited had a turnover of £427,062 (2023: £290,503), gross profit of £39,717 (2023: £9,457), and a profit before tax and gift aid of £22,960 in the year ended 31 August 2024 (2023: profit of £106). At 31 August 2024 the company had shareholder's funds of £100 (2023: £100).

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

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

Year Ended 31 August 2023	Unrestricted	Restricted	Endowed	Total
	£	£	£	£
Income and endowments from Charitable activities				
School fees receivable	12,446,930	-	-	12,446,930
Ancillary trading income	1,007,869	-	-	1,007,869
Other trading activities				
Non-ancillary trading income	214,686	-	-	214,686
Investments				
Investment income	-	4,056	10,335	14,391
Bank and other interest	6,879	-	-	6,879
Voluntary sources				
Grants and donations	281,173	59,087	-	340,260
Other incoming resources	(746)	-	-	(746)
Total Incoming Resources	13,956,791	63,143	10,335	14,030,269
Expenditure on:				
Raising funds				
Non ancillary trading	285,739	-	-	285,739
Other income generating activities	-	-	-	-
Financing costs	148,366	-	-	148,366
Investment management	-	717	2,003	2,720
Fundraising and development	35,944	-	-	35,944
Total Deductible Costs	470,049	717	2,003	472,769
Charitable activities				
Education and grant making	13,164,147	-	3,173	13,167,320
Total resources expended	13,634,193	717	5,176	13,640,409
Net gains/(losses) on investment assets	-	(1,272)	(2,365)	(3,637)
Net income/(expenditure)	322,595	61,154	2,794	386,543
Transfers between funds	59,087	(59,087)	-	-
Other recognised gains/(losses)				
Pension scheme actuarial gains/(losses)	-	-	-	-
Net movement in funds for the year	381,682	2,067	2,794	386,543
Fund balances at 1 st September	7,210,158	212,790	282,996	7,705,944
Fund Balances at 31st August	7,591,840	214,857	285,790	8,092,487

DENSTONE COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

32. CONTINGENT LIABILITIES

The Company has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2023. As of this date the estimated employer debt for the Company was £108,316, including Series 3 liabilities.

33. ULTIMATE CONTROLLING PARTY

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

34. RELATED PARTIES

As stated in note 33, Denstone College Limited is a wholly owned subsidiary of The Woodard Corporation. An amount of £84k was paid during the year to Woodard Corporation by way of a levy to meet running costs. Denstone College received a £15k donation from a trustee during the year.

The company also controls a subsidiary trading company, Denstone College Enterprises Limited.

35. POST BALANCE SHEET EVENTS

At the date of signing these financial statements, no events had occurred subsequent to the year end which require disclosure in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2024

36. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

Pension scheme deficit reduction payments

As explained at note 26, there is a deficit reduction plan in place in respect of Denstone College's membership of the Pension Trust's Growth Plan. FRS 102 requires a liability to be recognised in respect of the present value of future contributions payable under the terms of the deficit recovery plan. The incorporation of this liability in the financial statements involves the exercise of judgement in a number of areas, including the selection of an appropriate discount rate.

Pension scheme contingent liability

As explained at note 26, there is a contingent liability in the event that Denstone College were to withdraw its membership of the Pension Trust's Growth Plan. The independent qualified actuaries advising the Pensions Trust in respect of the contingent withdrawal liability exercise significant judgement in determining the amount of that liability. Judgement is exercised in a number of areas, including future changes in salaries and inflation, mortality rates and the selection of appropriate discount rates.

Provision for bad debts

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

Depreciation, impairment and residual values of fixed assets

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

VAT liabilities for historic registration

An estimate has been made of the VAT amounts due to the group as part of the historic registration process and included in these financial statements.