

Financial Statements

Caterham School (a company limited by guarantee) (including Caterham School Endowment Fund and Caterham School Bursary Fund)

For the year ended 31 August 2020

Company No. 5410420
Charity registration No. 1109508

Legal and administrative information

Trustees

The Trustees in office during the year or since the year end are set out below. Trustees served throughout the year, except where indicated.

I R M Edwards – Chairman
C Bouttle (appointed 20 April 2020)
O Byrne (appointed 20 May 2020)
S R Critchley
Mrs T F Eldridge-Hinmers (resigned 20 April 2020)
Mrs A Fletcher
Rev N J Furley-Smith (resigned 29 May 2020)
Ms D Grimason (appointed 20 April 2020)
M Mear
Ms M Shah
M Smith
E Turney
Mrs M Whenman
Mrs S M Whittle
Mr A Wilson

Trustees are ten to fourteen in number. On recommendation from its Nominations Committee, the Board of Trustees nominates potential Trustees to the Caterham School Foundation which appoints Trustees. One such Trustee must be nominated by or under the authority of the General Assembly of the United Reformed Church.

Officers

Headmaster
Head of Prep School
Bursar and Company Secretary

C W Jones MA (Cantab), MEd
B Purkiss BSc
Mrs A D Higgs BSc FCA

Legal and administrative information

Registered office:	Caterham School Harestone Valley Road Caterham Surrey CR3 6YA
Principal advisers:	
Bankers:	HSBC Bank plc London National Westminster Bank Caterham
Auditor:	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Solicitors:	Trowers and Hamlins London Veale Wasborough Vizards Bristol Bird & Bird London DMH Stallard Crawley
Investment advisers:	Brewin Dolphin London
Company number:	5410420
Charity registration number:	1109508
Website:	www.caterhamschool.co.uk

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Report of the Trustees

The Trustees present their report together with financial statements for the year ended 31 August 2020.

Structure, governance and management

Constitution, objectives and policies

Caterham School is registered with the Charity Commission (Charity no: 1109508). The Caterham School Endowment Fund and the Caterham School Bursary Fund share the same charity number and are registered as "subsidiaries" with the Charity Commission. Caterham School is administered and managed in accordance with the Caterham School Articles of Association, which have been approved by the Charity Commission, and the Caterham School Endowment Fund is administered in accordance with a Charity Commission Scheme dated 30 August 1995.

The charitable company is established to provide and maintain Caterham School for the provision of education for the children of Ministers and other children.

Appointment of Trustees

Trustees, appointed as shown on Page 1, hold office for three years. Trustees are eligible for re-appointment, subject to the conditions of the Articles of Association of Caterham School. Changes to the Trustee body during the course of the year are shown on Page 1.

The training and induction of Trustees is very much dependent upon their background and experience. Where necessary, induction provides training on charitable, educational, legal and financial matters. All new Trustees have visited the School and have met staff and pupils. The School culture is such that ad hoc visits (but see also Governance below) are encouraged with Trustees able to walk into lessons without formality and to be involved by the teacher without disruption to the class in progress. They are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their roles and, where required, specialist speakers, including members of staff, are brought into meetings to present changes and developments. Induction tends to be carried out informally, is tailored to the specific needs of the individual and includes seminars run by the various organisations that exist to support and develop Trustees and governing bodies. Safeguarding, Health & Safety, Regulatory and Charity Law issues normally feature prominently.

Trustees indemnity insurance is provided as an integral part of the School's insurance policies.

Organisation and structure

Governance of the charitable company

The Board held four ordinary meetings to review the charitable company's financial and operational performance and to approve the budget for the forthcoming year and an additional two meetings to further review matters related to the COVID-19 pandemic. The Finance & General Purposes Committee and other sub-committees met separately as required during

Report of the Trustees

the year to recommend courses of action and make budgetary proposals to be put to Trustees. The Annual Review of Investments with the School's stockbroker took place on 2 October 2020 to consider the period of this report. The Foundation met in an Annual General Meeting on 26 January 2020 which was adjourned and reconvened on 14 March 2020 to receive the statutory financial statements, note resignations, endorse appointments and hear the briefings of the Trustees, the Headmaster and the Head of the Prep School. Additional meetings were held on the 28 September 2019 and on 16 November 2019 at which approval was given to amend the Articles of Association.

In pursuit of governance best practice, Trustees are asked to spend at least a full day per year in School, in addition to scheduled meetings. Guidance has been issued by the Headmaster as to the sort of activities to be conducted by Trustees during their visits, such as for example shadowing a pupil for a day. Trustees are asked to submit a short report after each visit, drawing the Headmaster's attention to any concerns they might have and opportunities they think worthy of further consideration. Whilst some trustees were able to undertake these visits in the first part of the year, they were suspended for the Summer Term due to the pandemic.

Trustee committees have been allocated agreed areas of responsibility and oversight of policies.

The governance model, introduced in 2009, whereby the Trustees of the Charity, the Directors of the limited company and the Governors of the School are one and the same body (known collectively as 'the Trustees') has continued to work effectively for the good of the School.

Caterham School has three wholly owned or controlled subsidiaries, Caterham School Trading Limited, Caterham School Enterprises Limited and Caterham School International Limited.

Strategic report

Review of the Year

Caterham School continues to provide an outstanding educational offering to day and boarding pupils from a growing catchment area, both within the UK and overseas. The numbers of applicants to the school continues to grow and pupil numbers in the school remain stable at around 940 pupils in the Senior School and 280 in the Prep School. The school's success is underpinned by excellent results, robust finances, strong governance and an outstanding pupil experience.

We were also the first independent school in the UK to be awarded the Wellbeing for Schools Award – a rigorous and in depth audit of our wellbeing programme and provision which runs from our pre-School to the senior school and were recently recognised as an EdTech 50 School. In addition we are an Apple Distinguished School and have recently become an Apple Regional Training Centre, supporting other schools and educational organisations to enhance the use of technologies in the classroom.

The boarding offer remains popular both internationally and domestically. Our overseas boarders come at year 9 and 12 – geographically we have strong markets in the Far East and a growing and renewed interest from Russia. Our weekly boarding offer remains attractive to

Report of the Trustees

families from within an hour of the school and it is heartening to see so many families now coming to us from London Prep Schools that were not traditionally part of our catchment area.

Partnership work continues to be a key strategic and operational aim of the school. Our founders believed strongly in the power of the community to transform the lives of those around them and that schools should operate meaningfully in the contexts in which they are rooted. This view is at the heart of our educational philosophy and we want our pupils to leave this school with a profound sense of the power of community and a strong sense of mission. Consequently, we continue to provide and develop opportunities for our young people to engage meaningfully with the world around them. For example, we continue to work with the London Academy of Excellence and Kingsford Community School both in the London borough of Newham and have developed a very effective local primary school network of support.

Our Transformational Bursary Fund – a campaign to treble the number of pupils in the school from disadvantaged backgrounds by 2024 – has already enabled 2 additional pupils to enter the school over the past year with plans to double this number in the year ahead. This campaign is targeted at pupils from families with a household income on or around the national average and from families who may have no previous experience of Higher Education. This is a key part of our mission to widen access to our school and to create a diverse community. In addition to this, we continue to give financial support to pupils who are from families that for a number of reasons find fees problematic – we call this ‘assisted places’.

Caterham staff remain totally committed to ensuring that, as an organisation, we continue to play a meaningful role in the world around us. Caterham teachers have delivered programmes of English and Maths lessons for pupils of St John’s Primary. Different groups of pupils have come to Caterham School, and our teachers have travelled to St John’s to offer sessions designed to augment the curriculum and inspire a love of investigation and learning. Many staff contribute their skills, talents and time to the active support of the community through teacher training, church work, being academic examiners and charity trustees and administrators. In addition to our involvement at the London Academy of Excellence, Matthew Godfrey is a governor at the Michaela Community School Brent, Sarah Griffiths at St John’s Primary Caterham, Cath Drummond at Orchard Hill College and Academy Trust, Tony Fahey at Clifton Hill School, Gemma Davies at Blenheim High School in Epsom, Ben Purkiss at Ide Hill Church of England Primary School Sevenoaks, Lucie Funnell is a Trustee of the Tandridge Learning Trust and Ceri Jones is also a governor at Banstead Prep.

The purpose of the school remains focused on outstanding outcomes and experiences for all of our pupils based on a belief that pastoral care and wellbeing are fundamental building blocks for future success. We are a school that promotes a strong sense of community, connectedness and diversity, and a school that believes education is about academic success, enjoyment and the growth and development of the whole person. In addition, we strongly promote the notion of innovation and creativity and encourage all of our pupils to be confident and agile problem solvers who see opportunity in uncertainty.

Our sport academies (hockey, swimming and netball) continue to provide outstanding opportunities for our own pupils but also pupils from the local area to develop their sporting skills and have access to high quality coaching and pathways through to elite representation. Our strong relationship with and support for the Old Caterhamian Sports Club at Hill Fields enables hundreds of young people and adults to play rugby, cricket and lacrosse weekly.

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These clubs are not restricted to members of the school and so are of a genuine benefit to the wider Caterham Community.

Response to Covid and Lockdown

In March 2020 Caterham School, along with all other schools in the UK, was 'closed' due to the worsening impact of COVID-19. However our longstanding investment in and commitment to digital education and innovation over the previous seven years enabled the school to make a seamless transition to a fully virtual school overnight. We were able to ensure that the education of our pupils continued uninterrupted, that co-curricular breadth and engagement was maintained and that the structure and routine that enabled our families to navigate the disorienting impact of lockdown was ever present.

Our ability to do this was not just based on the commonality of the Apple platforms that all pupils and teachers use, or the skill levels of pupils and staff in teaching and learning on digital platforms, but also on a shared culture and philosophy of educational innovation and risk taking that has seen us thrive in the current uncertainty.

All of our lessons from day one were delivered live to pupils in their homes from our staff in their homes, work was set and marked electronically, end of year exams were sat and the year 11 and year 13 pupils who had exams cancelled benefitted from bespoke courses written by our teachers to support transition either to A level or to University.

In addition, we connected the wider Caterham School community through a series of virtual activities – quizzes, music recitals, group debates, webinars and virtual social events. We also ensured that we supported our local community and schools by both making significant amounts of PPE and receiving donations of PPE from our overseas families for the local Primary Care Network, supported groups making scrubs for local hospitals, donated laptops to local primary schools to help bridge the digital divide and helped local schools and even a university deliver more effective virtual provision for their pupils. We also supported our local primary schools by hosting key worker children from their schools on our site during the holidays to help them save costs.

As with many organisations and individuals, Covid-19 had a significant financial impact on the School. Parents were given a fee variation for the summer term and we set up a Covid-19 hardship fund into which many parents donated to help the school to support families most affected by the financial consequences of pandemic. We have managed to retain almost all our families with the help of the philanthropy of our wider community. The costs of reopening the site have also been significant with the cost of both equipment and staff to facilitate social distancing and enhanced hygiene measures. Like all organisations, we had to adjust our in-year spending plans including deferring capital projects and use strong financial cost control whilst maintaining essential preventative maintenance of the site. With the measures taken we have weathered the financial impact effectively and our financial position as a school remains strong, our forecasts positive and our banking covenants were met.

Marketing and Admissions

The School continues to build upon its already strong reputation for outstanding results in a highly ambitious and nurturing environment. We are attracting an increasing number of high achieving pupils in an environment which remains competitive, and where parents are

Report of the Trustees

increasingly well informed. Once again we can report a record number of applications for day and boarding places with boarding only limited by capacity. The School roll in the Senior School is in excess of 940 pupils and the Prep School is very close to its capacity of 300. Activity directed towards the London day and boarding markets has begun to bring active interest both directly from families and from prep school heads. Demand from the West Kent area remains strong and the School has successfully increased activity in other geographical areas, including London, to avoid over reliance on one area. This demand is evident at every entry point where the number of pupils applying far exceeds the places available.

Our ambition to connect the wider school community into a more vibrant, purposeful and strategically focused body is developing quickly. The Caterham School Society has brought together the constituent parts of the school under one umbrella – pupils (current and former), parents (current and former), members of the London Academy of Excellence and local residents are now connected in a way which provides a common sense of purpose with a focus on how the community can benefit the educational outcomes and experiences of all our pupils. We have a regular series of events to which all elements of the Society are invited – most notably hugely successful Insight evenings that we hold in London. The Caterham School Society enables the wider Caterham family to access work experience, shadowing and mentoring, and provides professional networking for parents.

A programme of agent contact continues to support admissions from overseas boarding pupils with the school meeting with prospective families and exhibiting in mainland China, Hong Kong and Moscow.

Trustees considered fees for 2019-2020 at their March 2019 meeting, announcing an average rise of 3.8%. The rise was considered the minimum necessary to achieve the required surplus to meet the current running costs of the School, provide for future development and satisfy its borrowing obligations.

Termly fees for the 2019 - 2020 academic year were:

Pre-Prep School:	£2,020 - £3,505
Prep School:	£4,540 - £5,200
Senior School (Day):	£6,245 - £6,540
Senior School (Boarding):	£10,520 - £12,920

Educational Attainment

The last academic year witnessed strong results at both GCSE and A level and places us as one of the top co-educational schools in the country. Crucially, these academic outcomes enabled all Sixth Form leavers to access the university courses and professional apprenticeships of their choosing. These results demonstrate a commitment to excellence and are, at A level, a pleasing improvement on the results of the previous year.

GCSE Results

9:	40%
9-7:	86%
9-6:	96%

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A Level Results

A*: 36%
A* - A: 70%
A* - B: 91%

Our value added score at GCSE was 0.80 (which is a statistically significant number indicating that the quality of outcomes for pupils is strong). At A level our value added score was 0.39.

In addition to public examination results we have also had a number of Sixth Form pupils perform strongly in essay competitions at Cambridge Colleges.

Community Outreach and Public Benefit

Over 350 pupils benefit from financial support awarded in the form of scholarships and bursaries, amounting to over 6.5% of fee income (2019: 6.2%). The Headmaster continues to examine ways in which to increase the number of bursaries awarded to those pupils whose parents otherwise could not afford the fees.

The Trustees confirm that they have referred to the Charity Commission's guidance on Public Benefit when reviewing the charitable company's aims and objectives and in planning future activities for the year.

School Partnerships and Support

The School continues to provide general support, and the weekly delivery of MFL at the London Academy of Excellence (LAE), our MFL department ran in depth INSET for LAE Stratford and Tottenham. The move to virtual platforms has facilitated weekly lessons and LAE participation in careers events and practice interviews. We held an online event with 90 L6 students from the two schools, working together on equality issues following U6 presentations on BLM and LGBTQI. We are currently engaged in a consultation process with all of the LAE sponsor schools to push collaboration further in current conditions. The Headmaster sits on the governing body and Dan Gabriele on the Education Committee. Emma Collins now sits on the Development Committee.

The United Access programme switched readily to an online format with an Easter 'online' week of activities and speakers having high levels of engagement and attendance. The summer week involved some useful sessions with a focus on UCAS applications, however the attendance across the week was somewhat lower.

In the autumn term we piloted an in depth programme for the highest achievers in Maths from local Primaries. 12 Year 6 pupils attended 10 sessions at Caterham developing higher order skills. The Geography A level students delivered weekly lessons at Whyteleafe Primary. Following 'lockdown' our established programme of collaboration with local primaries in sport, drama and IT had to be put on hold. Support of resources and classrooms were offered, but not needed in the event. Caterham provided activities and supervision for key workers children from local schools in the summer term half term break. Our 'Laptops for Lockdown' proved successful, we were able to provide 30 local children with devices to access online learning, donated by the Caterham School community.

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Fundraising for charitable causes

The Charity Committee consisted of 20 Sixth Formers chaired successfully by the Deputy Head Girl (Community). The Committee is responsible for selecting charities to support at a school level. The Committee organises fund raising events including mufti days, lower school discos and the Talent Show. Funds raised in 2019/20 amounted to £15,000 in support of a wide range of charities including the Brain Tumour Charity in memory of pupil from the U6 year group, Lerang'wa Lunches, St Catherine's Hospice and The Royal Marsden. The Committee is also responsible for delivering assemblies to raise the profile of the causes within the school. The CCF have raised money for the British Legion. The Lower School continue to hold a Christmas Fair annually to raise funds for charity. All of year 7 and 8 take part, taking responsibility in small groups to design and manage fund raising stalls. The fair raises over £1,500. 50 6th formers assisted the Rotary Club with their door-to-door Christmas collection in the Caterham area. In total over £6,000 was raised for local charities. Caterham pupils have participated in this annual activity since 2014. Over £6,000 was raised in lockdown for Surrey NHS through the weekly online quiz run by the English department. A group of students who were in China organised a remarkable initiative to raise money and procure PPE equipment for use in the Caterham area.

Volunteering

In our third annual survey audit of volunteering levels in 2020 79% of respondents reported that they have engaged in a community volunteering activity whilst at Caterham School.

The Duke of Edinburgh Award framework is used to promote volunteering and community involvement. 91 pupils completed an award despite the obvious difficulties this year.

Continuing Aims

The charitable company provides day and boarding education for male and female students between the ages of 3 and 18, aiming:

- to raise the standard of educational achievement of all students
- to ensure that every student enjoys the same high quality education in terms of resourcing, tuition and care
- to improve the effectiveness of the School by keeping the curriculum and organisational structure under continual review
- to provide value for money for the funds expended
- to comply with all appropriate statutory and curriculum requirements
- to maintain close links with further education institutions and the community
- to conduct its business in accordance with the highest standards of integrity, probity and openness.

The charitable company aims to maximise the number of pupils that can be educated at the School, consistent with current physical limits and the concept of containing numbers to a total that both enables all pupils to be known by the staff and is consistent with the family atmosphere that is key to the School's success. Strategic plans will also consider judicious disposals and acquisitions and additional enterprises (such as the development of educational

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lettings) that will support this overall concept. Concurrently, we develop and equip our staff, both tutorial and support, with the tools and techniques that enable pupils to be given the best opportunities to reach their full potential. To this end, the rollout of tablet computers to every pupil in the Senior School is now complete. Again, this considerable investment highlights the School's determination to harness technology to best effect and the use of tablets has become a regular and popular feature of the classroom experience. Tablet rollout now extends down to years 5 and 6 in the Prep School and digital and innovation opportunities are available throughout the School as part of our aim to deliver 21st century skills to all pupils.

The charitable company will continue to strive to improve the performance of its students at all levels and to support the further educational and career development of its students to ensure optimum progress when they leave school.

Staffing

The Trustees want to ensure that the School recruits and retains the best teaching and support staff and sets salaries and other terms of remuneration in order to achieve this. Remuneration for key management is considered annually by the Honorary Treasurer and Chairman. The School has an equal opportunities policy which encourages applications for employment from people from all ethnic backgrounds and from those with disabilities and supports staff with both physical and mental health issues with ongoing employment and career development. In addition to weekly briefings and termly INSET, the School has staff consultation committees for both teaching and support staff which meet on a termly basis. These committees receive information on matters of concern to them as employees and reports on the school's performance and future plans. In addition, the Honorary Treasurer gives an annual presentation to all staff on the School's financial performance. The wellbeing of staff is a high priority and is supported through the training of Mental Health First Aiders, access to the School Counsellors and through a free confidential counselling helpline and is monitored through wellbeing surveys completed by teaching and support staff.

Environmental policy

The School takes its environmental responsibilities seriously and pursues a policy of minimising its carbon footprint. A strategic group of senior staff, the Environmental Strategy Group, has been established to ensure that the School is doing all it can to promote sustainability and raise awareness about environmental issues. The group has continued to consider the environmental impact of the School's activities and to deliver on short, medium and long term plans. In addition, the School has a pupil-led Green Committee in the Senior School and an Eco-Warriors Committee in the Prep School which feed into the strategic group. The School remains committed to doing all it can to reduce the impact it has on the environment.

The woods continue to be an important asset and part of the environmental strategy is to create a sustainable woodland. The woodsman's role is both to ensure that there is adequate management and regeneration of the ancient woodland but also to enable and encourage both pupils and the local community to better understand the value and importance of woodland areas and outdoor learning more generally. A significant focus this year has been on identifying a plan to deal with the extensive spread of Ash Die Back within the woods in conjunction with

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the Forestry Commission. Works to start the removal of the affected trees commenced shortly after the year end.

Fundraising

During the year, Caterham School continued its fundraising campaign within its community (parents, alumni, parents of alumni, staff and Foundation members) to raise funds for Transformational Bursaries with the aim of raising the number of major bursaries which can be awarded each year. The School is registered with the Fundraising Regulator and ensures that all staff involved in fundraising are appropriately trained.

Financial review

The results for the year continued to be satisfactory. The total surplus amounted to £1,444,000 (2019 – £776,000).

The surplus on unrestricted funds (after transfers between funds) was £1,910,000 (2019 - £2,849,000).

The Endowment Fund increased in value by £7,000 (2019 – £7,000). Transfers amounting to £344,000 were made from restricted funds to the unrestricted fund representing funds used in this year. A net surplus of £63,000 relating to the school's Parents' Association was also held in a restricted fund at the year-end (2019 - £61,000).

The surplus carried forward on all funds amounted to £21,167,000 (2019 - £19,723,000).

The assets are held in pursuance of the School's objectives and the net assets of unrestricted funds amounted to £15,488,000 (2019 - £13,776,000). Restricted funds amounted to £4,159,000 (2019 - £4,434,000) and are held in investments and current assets, the income from which will be utilised in future years for scholarships, bursaries and prizes. Endowment funds amounted to £1,520,000 (2019 - £1,513,000).

Reserves

It is the policy of the charitable company to use its reserves to fund building and other development projects. Additionally, the charitable company maintains a cash balance from year to year to meet forthcoming expenditure. At 31 August 2020 the balance of cash at bank and in hand was £11,482,000 (2018 - £9,858,000).

Going concern

On the basis of the School's performance, budgets and long term forecasts, the trustees consider it appropriate to adopt the going concern basis for the financial statements.

Future plans

The School's focus remains on enabling its pupils to achieve the best outcomes possible. To support this, the trustees have agreed a strategic plan which incorporates educational developments and the physical resources needed to deliver these.

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Investment policy

The Trustees pursue an investment policy achieving reasonable returns and invested within ethical guidelines. The risk policies on which the School's portfolios are operated by the investment managers have been re-assessed to provide future returns based on moderate risk investment.

Funding

The Trustees are satisfied that the charitable company's assets attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds.

Connected charities

There is a relationship between Caterham School and other charities as set out in Note 25.

Risk management

Trustees have formally identified and documented the major risks to which the charitable company is exposed. Those risks have been reviewed, both by the sub-committees of the Board including the Finance & General Purposes Committee and by the Trustee Body and risk management strategies have been implemented. Risk management is embedded in the day to day practices of the charitable company procedures and systems to minimise the risks are regularly reviewed and updated.

Principal risk areas for the charitable company are the protection of pupils and employees, including from COVID-19, and compliance with the banking covenants. In order to facilitate the purchase of the school site in December 2017 and repayment of the former loans with AIB, a £25 million loan, repayable over 25 years, was obtained from HSBC in 2017. Interest rate protection has been put in place to ensure that the School is not exposed to fluctuations in interest costs over the term of the loan.

Trustees' Responsibilities Statement

The Trustees (who are also directors of Caterham School for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees 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 Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

Report of the Trustees

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees confirm that in so far as each of the trustees is aware:

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

The Trustees 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.

The Trustees' Report, incorporating a Strategic Report, approved by the Board of Trustees, as the company directors, on 3 December 2020 and signed on the Board's behalf.

ON BEHALF OF THE TRUSTEES



I R M Edwards
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATERHAM SCHOOL

Opinion

We have audited the financial statements of Caterham School for the year ended 31 August 2020 which comprise Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material

misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the [strategic report and the] trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- [the strategic report and the] trustees' annual 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 parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- 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.

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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

[Signature] *Moore Kingston Smith LLP*

[Date] 15 January 2021

Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Caterham School
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating the income and expenditure account)
for the year ending 31 August 2020

					Total Funds 2020 £'000	restated Total Funds 2019 £'000
Income and Endowments	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000		
INCOME FROM:						
Charitable Activities						
School fees	2	20,741	-	-	20,741	21,022
Other educational income	2	1,247	-	-	1,247	1,685
Other trading activities						
Other trading income	3	678	-	-	678	961
Investments						
Investment income	4	38	124	-	162	152
Donations and legacies						
Grants and donations	5	687	112	-	799	230
Total Income		23,391	236	-	23,627	24,050
EXPENDITURE ON:						
Raising funds						
Trading expenditure		193	-	-	193	166
Investment management costs		-	22	-	22	26
Total non-educational costs		193	22	-	215	192
Charitable activities						
Education		21,602	30	23	21,655	21,325
Total expenditure	6 - 8	21,795	52	23	21,870	21,517
Net gains/(losses) on investments	11		(115)		(115)	164
Net income/(expenditure)		1,596	69	(23)	1,642	2,697
Transfers between funds	18.1	314	(344)	30	-	-
Net incoming resources before other recognised gains and losses		1,910	(275)	7	1,642	2,697
Change in value of hedging instrument		(198)	-	-	(198)	(1,921)
Net movement in funds for the year		1,712	(275)	7	1,444	776
Fund balance at 1 September 2019		13,776	4,434	1,513	19,723	18,947
Fund balances at 31 August 2020	18	15,488	4,159	1,520	21,167	19,723

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing operations.


The accompanying notes form part of the financial statements.

Caterham School
CONSOLIDATED AND SCHOOL BALANCE SHEETS
as at 31 August 2020

	Note	Group		School	
		2020 £'000	2019 £'000	2020 £'000	2019 £'000
FIXED ASSETS					
Tangible assets	9	37,358	37,984	37,358	37,984
Investment Property	10	750	750	750	750
Investments	11	3,563	3,704	3,563	3,704
		<u>41,671</u>	<u>42,438</u>	<u>41,671</u>	<u>42,438</u>
CURRENT ASSETS					
Stock	12	93	117	-	10
Debtors	13	830	654	982	797
Cash and short term deposits		11,482	9,858	11,327	9,791
		<u>12,405</u>	<u>10,629</u>	<u>12,309</u>	<u>10,598</u>
CURRENT LIABILITIES					
Creditors due within one year	14	(6,704)	(6,458)	(6,682)	(6,429)
NET CURRENT ASSETS/LIABILITIES		<u>5,701</u>	<u>4,171</u>	<u>5,627</u>	<u>4,169</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>47,372</u>	<u>46,609</u>	<u>47,298</u>	<u>46,607</u>
LONG TERM LIABILITIES					
Fee deposits	15	(2,457)	(2,336)	(2,457)	(2,336)
Loans	15	(21,333)	(22,333)	(21,333)	(22,333)
Financial instrument derivative - hedging instruments	15	(2,415)	(2,217)	(2,415)	(2,217)
NET ASSETS		<u>21,167</u>	<u>19,723</u>	<u>21,093</u>	<u>19,721</u>
Capital Funds					
Endowments	18.3	1,520	1,513	1,520	1,513
Income Funds					
Restricted Funds	18.1	4,159	4,434	4,159	4,434
Unrestricted funds:	18.2				
Cash flow hedge reserve		(2,415)	(2,217)	(2,415)	(2,217)
Other charitable Funds		17,903	15,993	17,829	15,991
TOTAL FUNDS	18	<u>21,167</u>	<u>19,723</u>	<u>21,093</u>	<u>19,721</u>

No separate SOFA has been presented for the charity alone, as permitted by Section 408 of the Companies Act 2006. The School's income for the year was £23.081m (2019: £23.581m) and the surplus for the year was £1.550m (2019: £2.303m).

Approved by the Board of Trustees of Caterham School on 3 December 2020 and authorised for issue and signed on its behalf by:

 (Chairman)

 (Trustee)

The accompanying notes form part of the financial statements.

Company number: 5410420

Caterham School
CONSOLIDATED CASHFLOW STATEMENT
for the year ended 31 August 2020

	Notes	2020	2019
		£'000	£'000
NET CASH FLOWS FROM OPERATIONS			
Net cash provided by operating activities	19	3,585	4,364
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets		(318)	(420)
Proceeds from disposal of fixed assets		-	-
Purchase of investments		(482)	(231)
Proceeds from sale of investments		480	268
Return on investments		124	134
Interest received		38	18
Net cash provided by/(used in) investing activities		(158)	(231)
CASH FLOWS FROM FINANCING ACTIVITIES			
Drawdown of bank loan		-	-
Repayment of bank loan		(1,000)	(1,000)
Interest on loans		(803)	(837)
Net cash provided by/(used in) financing activities		(1,803)	(1,837)
Change in cash and cash equivalents in the reporting period		1,624	2,296
Cash and cash equivalents at the beginning of the reporting period		9,858	7,562
Cash and cash equivalents at the end of the reporting period		11,482	9,858

Caterham School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

1 STATEMENT OF ACCOUNTING POLICIES

Caterham School is a company limited by guarantee with registered number 5410420, incorporated and domiciled in England and Wales. Its registered office is Harestone Valley Road, Caterham, Surrey CR3 6YA.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2015. The school is a Public Benefit Entity as defined by FRS 102.

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

The accounts present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and charity balance sheets comprising the consolidation of the School and its wholly owned subsidiaries Caterham School Trading Limited, Caterham School Enterprises Limited and Caterham School International Limited.

The School has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

Going concern

The Trustees have reviewed the expected ongoing demand for places at the school, in the knowledge that actual pupil numbers in September 2020 and applications for September 2021 are both the largest they have ever been, and the financial forecasts for the next 18 months, taking the impact of Covid-19 into consideration. Having considered estimates of pupil numbers, the ability of parents to continue to pay fees, projected cash flows and the funding facilities available to the School, the Trustees have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities in the Trustees' report.

Critical accounting judgements and key sources of estimation uncertainty

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

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

In the opinion of the Trustees, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the property, plant and equipment and note 1.8 for the useful economic lives for each class of asset.

Recoverable value of fee debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 13 for the net carrying amount of the debtors and associated impairment provision.

Interest rate hedge

The School obtains a bank valuation of the interest rate swap and cap and assesses the effectiveness of the hedge for hedge accounting purposes.

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

1 STATEMENT OF ACCOUNTING POLICIES (Continued)

Critical accounting judgements and key sources of estimation uncertainty (Continued)

Investment property

The school uses the valuation performed by its independent valuers as the fair value of its investment properties. The valuation is based upon the key assumptions of estimated rental values and market based yields. In determining fair value the valuers make reference to market evidence and recent transaction prices for similar properties.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

1.1 Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, bursaries, scholarships and other remissions granted by the School, but include contributions received from Restricted Funds for scholarships, bursaries and other grants. Fees received in advance of education to be provided in future years under a Fees in Advance Scheme are held as liabilities until either taken to income in the term when

1.2 Investment income

This is accounted for when receivable and includes related tax recoverable.

1.3 Donations

Donations receivable for the general purposes of the School are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments - permanent or expendable according to the nature of the restriction. Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

1.4 Government grants

Income from government or other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable that the income will be received and the amount can be reliably measured.

1.5 Resources expended

Expenditure is accounted for on an accruals basis as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Overheads and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, either by reference to staff time or space occupied, as appropriate. The irrecoverable element of VAT is included with the item of expense to which it relates.

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

Intra-group sales and charges between the School and its subsidiaries are excluded from trading income and expenditure.

1.6 Pension schemes

The School contributes to the Teachers' Pension Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme. The Charity also contributes to a group personal pension scheme for non-teaching staff at a minimum of 5% of annual basic pay. Contributions to both schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

1.7 Operating leases

Rentals payable under operating leases are charged in the SOFA on a straight line basis over the lease

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Termination payments are recognised immediately as an expense when the school is demonstrably

1.9 School land and buildings and equipment

Capitalisation and replacement

Tangible fixed assets costing in excess of £1,500 are capitalised and carried in the balance sheet at historical cost less impairment.

Depreciation

The freehold land is not depreciated. Depreciation of other assets is provided at rates calculated to write off the excess of cost over estimated residual amount over the estimated useful economic lives of each class of asset, subject to annual review. These rates are currently as follows:

Freehold buildings	50 years
Computer equipment	3 years
Fixture and fittings	5 - 10 years
Motor vehicles	4 years
Property improvements	Over expected useful economic life

1.10 Stock

Stock is valued at the lower of cost and net realisable value.

1.11 Fund accounting

The charitable trust funds of the School and its subsidiaries are accounted for as unrestricted or restricted income in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Endowments funds are funds which are held as capital. They represent investments, together with the income arising therefrom. These investments have been made in accordance with schemes approved by the Charity Commissioners for the recoupment of capital following the sale of certain land and buildings in 1973 and 1995 by a predecessor charity.

1.12 Hedge accounting

The School has entered into variable to fixed interest swaps and an interest rate cap to manage its exposure to interest rate cash flow risk on variable rate debt. These derivatives are measured at fair value at each reporting date. The extent the hedge is effective, movements in fair value are recognised in the Statement of Financial Activities and presented in a separate cash flow hedge reserve. Any ineffective portions of those movements are recognised in income or expenditure for the period.

1.13 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with debtors, excluding prepayments. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

1.14 Cash and cash equivalents

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

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

2 INCOME FROM CHARITABLE ACTIVITIES

	2020	restated 2019
	Total	Total
	£'000	£'000
The School's fee income comprised:		
Gross fees	22,952	23,264
Less: Total bursaries, assisted places and allowances	(2,211)	(2,242)
	<u>20,741</u>	<u>21,022</u>
Other educational income:		
Other fees and income	<u>1,247</u>	<u>1,685</u>
Total	<u><u>21,988</u></u>	<u><u>22,707</u></u>

3 OTHER INCOME

	2020	2019
	Total	Total
	£'000	£'000
Other trading activities		
Rental and other commercial income	<u>678</u>	<u>961</u>

4 INVESTMENT INCOME

	2020	2019
	Total	Total
	£'000	£'000
Listed Investments	124	134
Interest received on bank deposits	38	18
	<u>162</u>	<u>152</u>

Included within the above is an amount of £124,000 (2019: £134,000) which relates to restricted income

5 GRANTS AND DONATIONS

	Unrestricted	Restricted	2020	2019
	Total	Total	Total	Total
	£'000	£'000	£'000	£'000
Donations	112	112	224	230
Grants	575	0	575	0
Total	<u>687</u>	<u>112</u>	<u>799</u>	<u>230</u>

Included within the above is an amount of £83,000 (2019: £126,000) which relates to restricted income.

Grant income was received under the coronavirus job retention scheme.

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

6 STAFF COSTS	2020	2019
	£'000	£'000
Total staff costs comprised:		
Wages and salaries	10,726	10,388
Social security costs	1,093	1,053
Pension contributions	1,829	1,269
	<u>13,648</u>	<u>12,710</u>

The average number of employees during the year were as follows:

	2020	2019
Teachers	135	130
Education support	87	90
Premises and services	44	45
Administration	64	74
Marketing and admissions	9	10
Shop	3	3
	<u>342</u>	<u>352</u>

The emoluments of higher-paid employees fell within the following ranges:

	2020	2019
	No	No
Taxable emoluments band:		
£60,001 - £ 70,000	15	10
£70,001 - £ 80,000	4	6
£80,001 - £ 90,000	1	1
£90,001 - £100,000	2	1
£120,001 - £130,000	1	1
£150,001 - £160,000	-	1
£170,001 - £180,000	1	-

During the year the following amounts were paid in respect of higher paid employees as shown above:

	2020	2019
	£'000	£'000
Pension contributions to defined contribution and teachers' pension schemes	<u>374</u>	<u>223</u>

During the year 18 (2019: 14) higher paid employees participated in the teachers' pension scheme and 6 (2019: 6) higher paid employees participated in a defined contribution pension scheme.

The following amount was paid to key management personnel who are defined as being the school's Senior Leadership Team, 13 staff (2019: 12 staff):

	2020	2019
	£'000	£'000
Total remuneration	<u>1,534</u>	<u>1,225</u>

There were 5 (2019: 5) members of the Senior Leadership Team who were provided with rent-free accommodation in order to enable them to undertake specific duties at the school.

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

7 PAYMENTS TO TRUSTEES

No Trustee, or person with a family or business connection with a Trustee, received remuneration in the year, directly or indirectly, from the School.

No Trustees (2019: one Trustee) received expense reimbursements during the year (2019: £100).

8 ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs (note 6) £'000	Other costs £'000	Depreciation and amortisation £'000	2020 Total £'000	restated 2019 Total £'000
<i>Costs of generating funds</i>					
Trading expenses	40	153	-	193	166
Investment management fees	-	22	-	22	26
	<u>40</u>	<u>175</u>	<u>-</u>	<u>215</u>	<u>192</u>
<i>Charitable activities:</i>					
Education costs	10,663	1,994	-	12,657	11,948
Catering	1	1,318	-	1,319	1,657
Premises and services	1,203	1,957	-	3,160	2,990
Administration	1,336	632	-	1,968	1,992
Marketing	405	423	-	828	927
Bank interest payable	-	803	-	803	837
Other costs	-	-	-	-	-
Bad debt provision	-	(53)	-	(53)	19
Depreciation and amortisation	-	-	944	944	919
Governance costs	-	29	-	29	36
	<u>13,608</u>	<u>7,103</u>	<u>944</u>	<u>21,655</u>	<u>21,325</u>
Schools operating costs					
	<u>13,608</u>	<u>7,278</u>	<u>944</u>	<u>21,870</u>	<u>21,517</u>
Total resources expended					
	<u>13,648</u>	<u>7,278</u>	<u>944</u>	<u>21,870</u>	<u>21,517</u>

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

8 ANALYSIS OF TOTAL RESOURCES EXPENDED (CONTINUED)

	Staff costs (note 6) £'000	Other costs £'000	Depreciation and amortisation £'000	restated 2019 Total £'000	2018 Total £'000
<i>Costs of generating funds</i>					
Trading expenses	38	128	-	166	153
Investment management fees	-	26	-	26	25
	<u>38</u>	<u>154</u>	<u>-</u>	<u>192</u>	<u>178</u>
<i>Charitable activities:</i>					
Education costs	9,707	2,241	-	11,948	11,109
Catering	3	1,654	-	1,657	1,610
Premises and services	1,117	1,873	-	2,990	3,028
Administration	1,455	537	-	1,992	2,083
Marketing	390	537	-	927	807
Bank interest payable	-	837	-	837	632
Other costs	-	-	-	-	671
Bad debt provision	-	19	-	19	39
Depreciation and amortisation	-	-	919	919	1,129
Governance costs	-	36	-	36	35
	<u>12,672</u>	<u>7,269</u>	<u>919</u>	<u>21,325</u>	<u>21,143</u>
Schools operating costs					
	<u>12,672</u>	<u>7,269</u>	<u>919</u>	<u>21,325</u>	<u>21,143</u>
Total resources expended	<u>12,710</u>	<u>7,423</u>	<u>919</u>	<u>21,517</u>	<u>21,321</u>

The note above has been restated to show trip expenditure (previously netted off against income).

The payments made under operating leases during the year were £NIL (2019: £NIL) in respect of land and buildings and £350,000 (2019: £351,000) in respect of plant and equipment.

Total resources expended include:

	Group 2020	Group 2019	School 2020	School 2019
Auditor's remuneration	29	36	29	30
Depreciation:				
- Tangible fixed assets, owned	944	919		
Operating lease rentals	350	351		

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

9 TANGIBLE FIXED ASSETS

Tangible Fixed Assets - Group and School

	Freehold land and buildings £'000	Fixtures and fittings £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
Cost					
As at 1 September 2019	48,149	1,586	1,232	190	51,157
Additions in year	254	33	6	25	318
Disposals	-	- 781	- 910	- 78	- 1,769
As at 31 August 2020	48,403	838	328	137	49,706
Depreciation					
As at 1 September 2019	10,311	1,495	1,205	162	13,173
Charge for year	862	35	29	18	944
Disposals	-	- 781	- 910	- 78	- 1,769
As at 31 August 2020	11,173	749	324	102	12,348
Net book amount					
As at 31 August 2020	37,230	89	4	35	37,358
Net book amount					
As at 31 August 2019	37,838	91	27	28	37,984

All tangible fixed assets were used for charitable purposes.

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

10 INVESTMENT PROPERTY

During the year ended 31 August 2010, the Trustees decided to dispose of all the Endowment Fund investments and to use the released amounts for the construction of a new block of staff flats on a freehold site belonging to the Endowment Fund. Expenditure of £393,000 was incurred on this construction, which was completed in October 2010.

A professional valuation of the building was obtained in 2015, which indicated an open market valuation of £750,000. The property was revalued at this amount in the School's books, producing a revaluation surplus of £310,000. This valuation will be taken forward as deemed cost in future years.

The investment property is held within the permanent Endowment Fund.

11 FIXED ASSET INVESTMENTS - Group and School

	2020	2019
Investments comprise:		
UK Fixed Interest	781	778
Overseas Fixed Interest	159	161
Equities and Unit Trusts	<u>2,603</u>	<u>2,717</u>
	<u>3,543</u>	<u>3,656</u>
Short Term Deposits	<u>20</u>	<u>48</u>
Group Total Investments	<u><u>3,563</u></u>	<u><u>3,704</u></u>

	Listed Investments £'000	Common investment funds and unit trusts £'000	Cash £'000	2020 Total £'000	2019 Total £'000
Market Value:					
Balance brought forward	2,699	957	48	3,704	3,569
Additions	291	191		482	231
Disposals	(480)			(480)	(268)
Other cash movements			(28)	(28)	8
Unrealised gain/(loss)	(44)	25		(19)	178
Realised gain/(loss)	(96)	-		(96)	(14)
Balance carried forward	<u><u>2,370</u></u>	<u><u>1,173</u></u>	<u><u>20</u></u>	<u><u>3,563</u></u>	<u><u>3,704</u></u>

Listed investments are stated at their mid-market value at the balance sheet date.

If the investments had not been revalued, they would have been included on the historical cost basis at the following amounts:

	Listed Investments £'000	Common investment funds and unit trusts £'000
Cost amount at 31 August 2020	<u><u>1,649</u></u>	<u><u>1,074</u></u>
Cost amount at 31 August 2019	<u><u>1,840</u></u>	<u><u>883</u></u>

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

11 FIXED ASSET INVESTMENTS (Continued)

	Group 2020 £	Group 2019 £	School 2020 £	School 2019 £
Interest in subsidiary undertakings	-	-	102	102
Total	<u>-</u>	<u>-</u>	<u>102</u>	<u>102</u>

At 31 August 2020, the School held more than 20% of the following undertakings:

	Class of share capital held	Proportion held	Nature of business
Caterham School Trading Limited Company number - 02476019	Ordinary £1	100%	School shop
Caterham School International Limited Company number - 11897124	Ordinary £1	100%	Providing educational services worldwide
Caterham School Enterprises Limited Company number - 04299687	Limited by Guarantee	100%	Dormant

The trustees consider that the market value of the investment in the non charitable subsidiary undertakings is not significantly different from the cost.

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

11 FIXED ASSET INVESTMENTS (Continued)

BALANCE SHEET
CATERHAM SCHOOL TRADING LIMITED
AS AT 30 AUGUST 2020

	2020	2019
	£	£
CURRENT ASSETS		
Stock	92,908	107,906
Debtors	-	-
Cash at bank	<u>77,875</u>	<u>58,478</u>
	170,783	166,384
CREDITORS: Amounts falling due within one year	<u>(151,956)</u>	<u>(152,690)</u>
NET CURRENT ASSETS	<u>18,827</u>	<u>13,694</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	18,827	13,694
CREDITORS: Amounts falling due in more than one year	-	-
NET LIABILITIES	<u>18,827</u>	<u>13,694</u>
CAPITAL AND RESERVES		
Share capital	2	2
Profit and loss account	<u>18,825</u>	<u>13,692</u>
SHAREHOLDERS' FUNDS	<u>18,827</u>	<u>13,694</u>
PROFIT & LOSS ACCOUNT		
	2020	2019
	£	£
TOTAL INCOME	177,029	191,057
TOTAL EXPENDITURE	<u>(171,896)</u>	<u>(177,706)</u>
NET PROFIT	<u>5,133</u>	<u>13,351</u>

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

11 FIXED ASSET INVESTMENTS (Continued)

BALANCE SHEET

CATERHAM SCHOOL INTERNATIONAL LIMITED

AS AT 30 AUGUST 2020

	2020 £
CURRENT ASSETS	
Debtors	3,196
Cash at bank	<u>69,040</u>
	72,236
CREDITORS: Amounts falling due within one year	<u>-</u>
NET CURRENT ASSETS	<u>72,236</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	72,236
CREDITORS: Amounts falling due in more than one year	<u>-</u>
NET LIABILITIES	<u><u>72,236</u></u>
CAPITAL AND RESERVES	
Share capital	100
Profit and loss account	<u>72,136</u>
SHAREHOLDERS' FUNDS	<u><u>72,236</u></u>

PROFIT & LOSS ACCOUNT

	2020 £
TOTAL INCOME	100,000
TOTAL EXPENDITURE	<u>(27,864)</u>
NET PROFIT	<u><u>72,136</u></u>

At 31 August 2020 the aggregate capital and reserves of Caterham School Enterprises Limited was £11,556 deficit (2019: £11,556 deficit) and the profit/loss for the financial year ended on that date was £NIL (2019: £NIL).

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

12 STOCK

	Group 2020 £'000	Group 2019 £'000	School 2020 £'000	School 2019 £'000
Goods for resale	93	107	-	-
Other stock	-	10	-	10
	93	117	-	10

13 DEBTORS

	Group 2020 £'000	Group 2019 £'000	School 2020 £'000	School 2019 £'000
Trade debtors	118	76	118	76
Amount due from subsidiaries	-	-	152	143
Other debtors	144	119	144	119
Prepayments and accrued income	568	459	568	459
	830	654	982	797

14 CREDITORS: due within one year

	Group 2020 £'000	restated Group 2019 £'000	School 2020 £'000	restated School 2019 £'000
Bank loan	1,000	1,000	1,000	1,000
Fee deposits	484	489	484	489
Deferred income	3,721	3,758	3,715	3,758
Amount due to subsidiaries	-	-	3	-
Trade creditors	570	526	554	504
Social security and other taxation	312	7	312	7
Other creditors and accruals	617	678	614	671
	6,704	6,458	6,682	6,429

15 CREDITORS: due after one year

	Group 2020 £'000	restated Group 2019 £'000	School 2020 £'000	restated School 2019 £'000
Fee deposits	2,457	2,336	2,457	2,336
Bank loan	21,333	22,333	21,333	22,333
Financial instrument derivative- hedging instruments	2,415	2,217	2,415	2,217
	26,205	26,886	26,205	26,886

The HSBC loan was for £25,000,000 at the outset on 21 December 2017 and is repayable over 25 years in monthly instalments of £83,333. An interest rate hedge has been put in place which has the effect of fixing the interest rate at 3.5% for 12.5 years and then caps the interest rate at 3.5% for the remaining 12.5 years of the loan.

The loan is secured by a legal charge over the School's site, including the woodland but excluding the endowment properties.

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

15 CREDITORS: due after one year (Continued)

Loans - Group and School

	2020	2019
	£'000	£'000
Amounts due 1 - 2 years:	1,000	1,000
Amounts due 2 - 5 years:	3,000	3,000
Amounts due more than 5 years:	17,333	18,333
	<u>21,333</u>	<u>22,333</u>

16 FEE DEPOSITS

At the end of the year, the deposits held on account were split as follows:

	2020	2019
	£'000	£'000
Amounts due 1 - 2 years:	484	501
Amounts due 2 - 5 years:	1,689	1,431
Amounts due more than 5 years:	768	404
	<u>2,941</u>	<u>2,336</u>

17 FINANCIAL INSTRUMENTS

	Group 2020 £'000	Group 2019 £'000	School 2020 £'000	School 2019 £'000
Financial assets measured at fair value through SOFA	<u>3,563</u>	<u>3,704</u>	<u>3,563</u>	<u>3,704</u>
Financial assets measured at amortised cost	<u>11,744</u>	<u>10,053</u>	<u>11,741</u>	<u>10,129</u>
Financial liabilities measured at amortised cost	<u>24,004</u>	<u>25,026</u>	<u>23,988</u>	<u>24,997</u>
Financial liabilities measured at fair value through a hedging service	<u>2,415</u>	<u>2,217</u>	<u>2,415</u>	<u>2,217</u>

Financial assets measured at amortised cost comprise cash, trade and other receivables. They exclude prepayments.

Financial liabilities measured at amortised cost comprise trade and other payables, accruals and deferred income. They exclude social security and other taxes.

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	Restricted	Endowment	Consolidating	2020
	funds	funds	bursary	fund	adjustment	Total
	£'000	£'000	funds	£'000	£'000	£'000
Tangible fixed assets	36,430	-	-	928		37,358
Investment Property	-	-	-	750		750
Investments	-	2,672	891	-		3,563
Current assets	11,967	469	127	-	(158)	12,405
Current liabilities	(6,704)	-	-	-		(6,704)
Creditors: over one year	(26,205)	-	-	(158)	158	(26,205)
Total net assets	15,488	3,141	1,018	1,520	-	21,167

	Unrestricted	Restricted	Restricted	Endowment	Consolidating	2019
	funds	funds	bursary	fund	adjustment	Total
	£'000	£'000	funds	£'000	£'000	£'000
Tangible fixed assets	37,033	-	-	951	-	37,984
Investment Property	-	-	-	750	-	750
Investments	-	2,802	902	-	-	3,704
Current assets	10,087	442	288	-	(188)	10,629
Current liabilities	(8,794)	-	-	-	-	(8,794)
Creditors: over one year	(24,550)	-	-	(188)	188	(24,550)
Total net assets	13,776	3,244	1,190	1,513	-	19,723

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

18.1 RESTRICTED FUNDS

	At 1 September 2019 £'000	Incoming Resources £'000	Expenditure £'000	Transfer £'000	Gains/ (losses) £'000	At 31 August 2020 £'000
University scholarship	372	11	(2)	(7)	(13)	361
Scholarship and prizes	364	11	(2)	(1)	(12)	360
Major H Hall Morgan	248	8	(2)	(11)	(9)	234
Arthur D Jones	228	7	(1)	(10)	(8)	216
Industrial gifts and music scholarships	537	17	(3)	(23)	(18)	510
Other scholarship funds and donations	5	0	(0)	(5)	(0)	-
Mr S Bonarjee Legacy	253	8	(1)	(11)	(9)	240
Eynon Bequest	1,176	37	(6)	(9)	(41)	1,157
	3,183	99	(17)	(77)	(110)	3,078
Caterham School Bursary Funds	1,190	106	(6)	(267)	(5)	1,018
Parents Association	61	29	(27)	-	-	63
Total restricted funds	4,434	234	(50)	(344)	(114)	4,159

	At 1 September 2018 £'000	Incoming Resources £'000	Expenditure £'000	Transfer £'000	Gains/ (losses) £'000	At 31 August 2019 £'000
University scholarship	399	4	(2)	(40)	11	372
Scholarship and prizes	386	4	(2)	(35)	11	364
Major H Hall Morgan	277	3	(2)	(38)	8	248
Arthur D Jones	280	3	(2)	(61)	8	228
Industrial gifts and music scholarships	577	6	(3)	(59)	16	537
Other scholarship funds and donations	142	1	-	(142)	4	5
Mr S Bonarjee Legacy	313	3	(2)	(70)	9	253
Eynon Bequest	1,156	11	(7)	(17)	33	1,176
	3,530	35	(19)	(462)	100	3,183
Caterham School Bursary Funds	1,058	153	(7)	(78)	64	1,190
Parents Association	5	72	(16)	-	-	61
Total restricted funds	4,593	260	(42)	(540)	164	4,434

Caterham School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

18.1 RESTRICTED FUNDS (Continued)

These funds have been donated over a number of years, the capital sum has been invested and income is utilised to give prizes and scholarships and bursaries to pupils who attend Caterham School.

The university scholarships fund is made up of 12 bequests and provides support to Caterham School pupils continuing their studies at university.

The scholarships and prizes fund comprises 35 donations and bequests. It provides support for prizes, music and books, ministerial scholarships and travel and language study.

The Major Hall Morgan legacy is used for scholarships and sports coaching.

The industrial and music gifts fund is used to fund music and general study scholarships.

The Bonarjee legacy was received in 2005 and funds general bursaries.

The Arthur D Jones award is used to provide scholarships on merit for the sons of parents who could not otherwise afford to send them to the School. Preference is given to the child/children of Old Caterhamians.

The general gifts and donations fund comprises a number of individual donations for unspecified activities.

The Eynon bequest funds scholarships and bursaries for children of Old Caterhamians.

The Old Caterham School bursary fund was established to assist the children of Ministers.

The transformational bursary fund was set up in 2019/20. The fund is to provide bursaries to a number of pupils who would not otherwise be able to afford to attend the school.

The constitution of the Parents' Association changed during the 2017/18 academic year and the Parents Association funds are now a restricted fund within the School.

During the year a transfer amounting to £344,000 (2019: £540,000) was made to unrestricted funds. The transfer covers the amount expended in prior years from unrestricted funds on activities for which restricted funds were donated.

18.2 UNRESTRICTED FUNDS

	2020 £'000	2019 £'000
At 1 September 2019	13,776	12,848
Incoming Resources	23,391	23,325
Expenditure	(21,795)	(20,986)
Reduction in fair value of hedging instrument	(198)	(1,921)
Transfer from/(to) restricted funds	314	510
At 31 August 2020	<u>15,488</u>	<u>13,776</u>

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

18.3 ENDOWMENT FUND

The endowment fund is established to provide and maintain Caterham School for the provision of education for the children of Ministers, and the other children, in accordance with the objectives and principles for which the school was founded.

	2020	2019
	£'000	£'000
At 1 September 2019	1,513	1,506
Expenditure	(23)	(23)
Transfer to/(from) unrestricted funds	<u>30</u>	<u>30</u>
At 31 August 2020	<u>1,520</u>	<u>1,513</u>

Following the sale of land in Harestone Hill in 1973, it was necessary to make an investment which would replace £62,000 of capital over the ensuing 30 years. Accordingly, by arrangement with the Charity Commissioners, monies have been invested to purchase a 5% Treasury Loan in 2009 and subsequent income arising from this purchase is being invested in the same way as it becomes available. The Charity Commission have confirmed that no further investments are required under this scheme.

Following the sale by the Endowment Fund of the freehold land and buildings in 1995, under a scheme approved by the Charity Commissioners it was agreed to make a grant of £1,500,000 (equivalent to the sale proceeds) to Caterham School. The scheme requires that the same amount be recouped from Caterham School, over a period of 50 years, by the School making annual payments of £30,000 to the Endowment Fund. These yearly amounts are to be invested as permanent endowments of the School.

Under these schemes, the long term investments for the Endowment Fund would be expected to have a minimum value of £812,000 by 31 August 2019 (2019: £782,000).

During the year ended 31 August 2010, the Trustees decided to dispose of all the Endowment Fund investments and to use the released amounts for the construction of a new block of staff flats on a freehold site belonging to the Endowment Fund. Expenditure of £393,000 was incurred on this construction, which was completed in October 2010.

19 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATIONS

	2020	2019
	£'000	£'000
Net income for the year (as per Statement of Financial Activities)	1,444	776
Adjustment for:		
Depreciation charges	944	919
Change in fair value of hedging instrument	198	1,921
Revaluation (gain)/loss on investment property	-	-
Revaluation and disposal (gain)/loss on investments	143	(172)
Dividends received	(124)	(134)
(Increase)/decrease in stock	24	(11)
(Increase)/decrease in debtors	(176)	138
Increase/(decrease) in creditors	367	108
Interest received	(38)	(18)
Interest on loans	<u>803</u>	<u>837</u>
	<u>3,585</u>	<u>4,364</u>

Caterham School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

19 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATIONS (CONTINUED)

ANALYSIS OF CHANGES IN NET DEBT

	As at 1 September 2019	Cash flows	Other non- cash changes	As at 31 August 2020
Cash and cash equivalents				
Cash	9,858	1,624	-	11,482
Cash equivalents	-	-	-	-
	<u>9,858</u>	<u>1,624</u>	<u>-</u>	<u>11,482</u>
Borrowings				
Debt due within one year	(6,458)	(246)	-	(6,704)
Debt due after one year	(24,669)	879	-	(23,790)
	<u>(31,127)</u>	<u>633</u>	<u>-</u>	<u>(30,494)</u>
Total	<u>(21,269)</u>	<u>2,257</u>	<u>-</u>	<u>(19,012)</u>

20 PENSION SCHEMES

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,493,000 (2019: £969,000), at the year-end £178,000 (2019 - £NIL) was accrued in respect of contributions into the scheme.

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

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

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

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

Caterham School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

20 PENSION SCHEMES (CONTINUED)

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

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

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

The School also operates a defined contribution pension scheme for bursarial staff. The total pensionable cost to the charitable company during the year ended 31 August 2020 was £336,000 (2019: £300,000) and there was no accrued balance at the year end in respect of contributions to this scheme.

21 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020	2019
	£'000	£'000
Cash at bank and in hand	3,482	3,858
Money market deposit	8,000	6,000
	<u>11,482</u>	<u>9,858</u>
At 31 August 2019	<u>11,482</u>	<u>9,858</u>

22 OPERATING LEASE COMMITMENTS - Group and School

The School had the following commitments under non-cancellable operating leases for plant and machinery:

	2020	2019
	£'000	£'000
Operating lease commitments:		
Within 1 year	284	239
Within 2 - 5 years	409	518
	<u>693</u>	<u>757</u>

Caterham School
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23 RELATED PARTY TRANSACTIONS

The W N Maddock Science Scholarship Fund is a charity which makes grants for bursaries for pupils at Caterham School and has some Trustees that are common with Caterham School. The transactions with the W N Maddock Science Scholarship Fund during the year were:

	2020 £'000	2019 £'000
Grants receivable from the W N Maddock Science Scholarship Fund	-	-
Balance owed by the W N Maddock Science Scholarship Fund	29	29

Caterham School Enterprises Limited and Caterham School Trading Limited are both 100% subsidiaries of Caterham School. The transactions with these subsidiaries during the year were:

	2020 £'000	2019 £'000
Gift Aid receivable from Caterham School Enterprises Limited	-	-
Gift Aid receivable from Caterham School Trading Limited	-	-
Balance owed by Caterham School Enterprises Limited	17	17
Balance owed by Caterham School Trading Limited	136	127