

# BRECKENBROUGH SCHOOL LIMITED

England & Wales · Charity number 1122269

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [06223076](#)

**Registered** 2008-01-11

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Breckenbrough School  
Breckenbrough  
Thirsk  
YO7 4EN

**Phone** 01845587238

**Email** [office@breckenbrough.org.uk](mailto:office@breckenbrough.org.uk)

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

## Activities

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**Objects:** 1) THE PROVISION OF A SPECIAL SCHOOL AT BRECKENBROUGH SCHOOL, THIRSK OR IN OTHER SUITABLE PREMISES TO ADVANCE THE EDUCATION OF CHILDREN WITH SPECIAL EDUCATION REQUIREMENTS BY THE ESTABLISHMENT AND RUNNING OF A SCHOOL TO PROVIDE CHILDREN WITH AN EDUCATION SUITABLY ADAPTED TO THEIR NEEDS AND REQUIREMENTS; AND2) TO CARRY ON SUCH SCHOOL IN ACCORDANCE WITH THE PRINCIPLES OF THE RELIGIOUS SOCIETY OF FRIENDS.

**Activities:** Breckenbrough is a school catering for boys aged 9 - 19 years. The students have a range of special needs some are Autistic , some have Attention Deficit Hyperactivity Disorder or Attention Deficit Disorder and others have an unspecific designation of social, emotional and behavioural difficulties. All pupils are educated to at least GCSE level.

## Classification

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- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People, People With Disabilities

## Geography

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- **Area of benefit:** BRECKENBROUGH SCHOOL, THIRSK
- Throughout England

## Finances

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Period end	Income	Expenditure	Assets	Employees
2024-08-31	£5,173,280	£5,198,842	£4,080,110	88
2023-08-31	£4,990,954	£4,625,023	£4,105,678	84
2022-08-31	£4,871,007	£4,177,660	£3,739,607	72
2021-08-31	£4,867,507	£4,058,292	£2,991,897	73
2020-08-31	£4,112,480	£3,875,856	£2,182,550	72

## Trustees

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Name	Role	Appointed
Digby Geoffrey Swift		2021-11-15
John Nicholas Margham		2019-04-21

## Linked charities

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- BRECKENBROUGH SCHOOL (1122269-1)

**BRECKENBROUGH SCHOOL LIMITED**

England & Wales - Charity number 1122269

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# Accounts

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**Registered Company Number: 06223076 (England and Wales)**  
**Registered Charity Number: 1122269**

**Breckenbrough School Limited**

**Report of the Trustees and Financial Statements  
for the Year Ended 31 August 2024**

**Breckenbrough School Limited**

**Contents of the Financial Statements  
for the Year Ended 31 August 2024**

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## Breckenbrough School Limited

### Report of the Trustees and Strategic Report for the Year Ended 31 August 2024

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The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2024.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### Reference and administrative details

**Registered Company number** 06223076 (England and Wales)

**Registered Charity number** 1122269

**Registered office** Sandhutton  
Breckenbrough  
Thirsk  
YO7 4EN

#### Trustees

Ruth McTighe	Chair resigned 31.07.2024
John Margham	Chair appointed 01.08.2024
Digby Swift	Deputy chair appointed 22.11.2024
Stefan Lewicki	Resigned 31.12.2024
Lynne Ward	Appointed 21.06.2024
Janet Connelly	Appointed 01.01.2025

#### Key Management Personnel

Head Teacher	Simon Bannister
Deputy Head Teacher	Matt Halifax Appointed 01.09.2025
Head of Social Education	Stuart Edwards
Bursar	Sue Jones

#### Auditors

Saffery LLP  
10 Wellington Place  
Leeds  
LS1 4AP

#### Solicitors

North Yorkshire Council  
County Hall  
Northallerton  
DL7 8AD

**Breckenbrough School Limited**

**Report of the Trustees and Strategic Report  
for the Year Ended 31 August 2024**

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**Reference and administrative details (continued)**

<b>Bankers</b>	Barclays Bank plc 25 St James Street Harrogate HG1 1ZT	
<b>Insurers</b>	Innovation Broking 20 St Dunstons Hill London EC3R 8HL	
<b>Co-opted Members</b>	Sally Burton Carl Wright Daniel Hunter Hannah Pomroy	Resigned 15.03.2024 Appointed 15.03.2024 Appointed 15.03.2024 Appointed 01.01.2025
<b>Staff Representative Governors</b>	Lynette l'Anson	Appointed 15.03.2024
<b>Head Teacher</b>	Simon Bannister	
<b>Governor appointed by North Yorkshire Council</b>	Nigel Knapton	Appointed 01.05.2023
<b>Parent Governors</b>	Carl Wright Daniel Hunter Rebecca Jackson	Appointed 22.11.2024

***Our vision is always to put the individual needs of the students first.***

**Aims, Objectives and Activities**

**Aims**

Breckenbrough School provides education and care for boys from 9 to 19 years of age. Each student at the school has an Education Health and Care Plan created by his funding Local Authority (LA) that identifies him as having complex needs such as Autism, ADHD, PDA etc. Authorities from many parts of the UK place students at Breckenbrough. We are currently working with local authorities down as far as London and across to Cumbria along with all those LAs that share a boundary with North Yorkshire.

**Objectives**

We review our aspirations and school improvement objectives, along with the student outcomes on a termly basis. These are achieved with the immense amounts of work completed by the staff team. The Governors focus on the strategic goals and the overall school improvement objectives. In individual cases, staff adapt education and care plans for students so that the school always responds as appropriately as it can to an individual student's specific needs. Done with care, this helps each student to improve on his own "previous best" performances in a range of subjects, social skills and emotional resilience, and to learn to take increasing responsibility for his own learning and development.

The school works with a "one team" approach. By integrating academic, social education along with therapeutic support mechanisms to meet specific individual needs, each element plays a vital role in providing a framework for helping the students to achieve their potential and a quality of life.

**Activities**

Like our students, Breckenbrough is unique; offering a bespoke, special school approach in the delivery of our holistic curriculum. We pride ourselves in being a 'specialist' school, providing a nurturing, supportive and low stress environment to help our students learn to manage their anxiety levels and specific needs to make holistic progress towards their individual outcomes.

Our vision is to improve the Quality of Life for all our students in becoming healthy, happy and successful adults.

In order to improve the quality of our student's lives, we aim to support our students to achieve two key goals during their time here:

1. To be themselves, aspire and be successful.
2. To develop strategies and coping mechanisms to move towards a level of self-actualisation in order to thrive in the neurotypical world.

Following the model of Maslow's Hierarchy of Need, every student arrives at Breckenbrough seeking a safe, nurturing environment where they can be accepted and learn. Due to their adverse experiences in prior settings, our first goal is to reduce anxiety levels and for every student to feel safe and secure in the school environment. It is unreasonable to expect any progress until this has been achieved, especially with their academic studies. Every student progresses through the school seeking to achieve what Maslow terms as self-actualisation, which is essential in achieving the second key goal. As a student progresses upwards through the levels of Maslow, there is a parallel increase in engagement, learning and progress. In order to achieve this, high staff to student ratios are required with class sizes of no more than five students.

## **Breckenbrough School Limited**

### **Report of the Trustees and Strategic Report for the Year Ended 31 August 2024**

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Our students are well supported by our experienced and committed team of staff. Each student works alongside a core group of professionals, which includes a keyworker, whose responsibility it is to ensure that the students' needs are met, their development is planned and monitored, and their outcomes are celebrated and communicated with parents and professionals. The keyworker is crucial in providing the link between the student in school and the student's home and family life. We have a therapeutic team on site which includes a full-time psychologist along with part time occupational and a speech and language therapists. The coordination of work between the school team, our families and any external professionals is crucial in supporting the students in working towards achieving the two key goals during their time at Breckenbrough.

Part of Breckenbrough School's curriculum provides education to GCSE and A level standard. Some of the education provision is offered through third party providers with our staff in support, which helps in the transition to independent living and higher education studies. The school also gives great attention to the students' physical, mental and spiritual welfare and helps students to develop positive relationships with peers and adults. The After-care provision, through Beyond Breckenbrough (rarely found elsewhere), continues to provide practical assistance to old scholars, as well as help with career guidance and further development of life skills.

The school had an average number of 70 (2023 – 68) students on roll during the year.

#### **Public Benefit**

The Trustees have had due regard to guidance published by the Charities Commission on public benefit. The students' achievements are part of the benefit, in that we help to create and develop mature citizens. We regularly offer the school for summer school hire. We work with a charity called Campus Holidays who offer fully funded holidays to under-privileged children and those from deprived backgrounds. This is a very successful opportunity for both the school and Campus and benefits circa 90 children to enjoy a holiday they would not normally have. Although we had a hiatus during the pandemic, the holidays restarted in 2022 and are providing an essential break and opportunities for these young people.

#### **Achievements and Performance**

The school has a long record of successfully changing the lives and behaviour of its scholars. Before coming to the school, a young person will frequently have been the cause of deep concern to parents and educators alike, and in numerous cases has been a "hard to place" student. Parents frequently tell us of the positive change in attitude displayed by their son after arriving at Breckenbrough, within months or even weeks. These kinds of dramatic changes in attitude have continued during the period of this report. We have published case studies on our students' experiences on our website. These can be found at Case Studies - Breckenbrough School (<https://www.breckenbrough.org.uk/life/life-at-breckenbrough/welcome/case-studies/>).

We have retained our good grading in our social care inspection in June 2023. The report states 'Children enjoy coming to the school and being part of the residential provision. They develop trusting relationships with staff, and they feel valued and cared for by nurturing and encouraging staff who want the best for children. Children enjoy the time that they spend with the staff, and they make memories from their experiences such as going on a skiing holiday to Italy. This supports their social well-being, as the children spend time in groups developing their communication skills'.

The last academic inspection of the school took place in April 2024, in which we attained good in all areas. The main change to this inspection, compared to the previous one in July 2021, was the redrafting of the curriculum policy, which reflects how the curriculum is delivered at Breckenbrough.

**Report of the Trustees and Strategic Report  
for the Year Ended 31 August 2024**

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Our curriculum is composed of the following key components:

- Quality of Life framework
- Academic studies
- Therapeutic interventions
- Social education

The inspection team were able to look at more than the academic stream, which truly captured how we work with our students. This very pleasing to see and is reflection of all the hard work of the staff. This is what Ofsted said:

'What is it like to attend this school?

*Breckenbrough School is a calm and nurturing place. Pupils benefit from warm relationships and an ethos of positively resolving conflict. This helps them to regulate and improve their behaviour. Pupils' experience is significantly enhanced by their personal keyworker. Pupils trust and respect this adult who supports them. They are safe and happy in their school. Over time, pupils make strong progress in their social skills. Older students mentor younger pupils. Pupils from all age groups enjoy playing sport together at lunchtime.*

*Pupils enjoy an increasingly effective academic curriculum. They are proud to share their work and achievements. In the sixth form, students are confident learners. Several go on to achieve places at prestigious universities. With guidance, pupils set personal goals. This helps staff match learning and care to pupils' unique and varied interests.*

*Personal development is at the heart of the school's work. Pupils are carefully encouraged to become increasingly independent and adventurous. They flourish in an exceptional outdoor education curriculum. In these weekly sessions, they experience caving, climbing, canoeing and more. Pupils develop important character traits. These include teamwork and confidence. They use these transferrable skills to overcome other challenges in their lives.*

Of the students who graduated from the school in Summer 2024, all made the successful transition to higher education, further education, supported internships and apprenticeships. This is the seventh year in succession where students had 100% successful transitions. University transitions this year once again include Oxford.

The school continues to develop and diversify the curriculum in order to provide a platform for every student to achieve, irrespective of their starting point and identified career path.

**Financial Review**

Finance is always a major consideration of the Board. Financial performance is monitored and assessed carefully. This year has returned to be in line with our expectations financially, as you will see from the pages to follow, with our small deficit being £26k (2023: £366k). Our income is almost entirely dependent on the number of students on roll and student placements and at the start of the 2023/ 2024 academic year student numbers were lower than we would prefer due to student assessment not leading to the offer of a placement. This led to further assessments starting later than we would normally prefer and placements for students starting after the beginning of the new academic year on 1 September 2023. The school has continued to benefit financially from grants issued by DFE relating to capital and maintenance of our building, this amounted to £79k. In budgeting we do not assume the continuation of these grants, but these funds are always welcome and go towards the capital investment in the fabric of the school property.

The Hub, continues to have huge benefits for all the students that access our therapeutic team as part of our holistic curriculum. The therapeutic sessions are integrated into the student's daily timetable, so the benefits

## **Breckenbrough School Limited**

### **Report of the Trustees and Strategic Report for the Year Ended 31 August 2024**

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can promote engagement in their academic learning. Outdoor Education equipment is now more readily accessible which aid for swifter and more orderly preparation before each of the daily sessions. Work continues towards being national accredited under the Adventure Mark for the delivery of our outdoor educational program.

For the year ended 31 August 2024 the trustees have designated £510k, of which £170k has been set aside to support the development on an alternative site and £340k will be directed towards the repair and upgrade of the roof and fabric of the school building.

Our policy is to invest when we can in funds and investments on a basis approved by the Charity Commissioners and that remain ethical. We allow for regular strategic planning. Due to the nature of their needs, the number of students starting and leaving the school each year varies, often at irregular points throughout the year. Our parent liaison continues to ensure that Local Authorities and potential parents and their support groups, are kept well aware of our existence and of the benefits we offer, so that referrals can be communicated through parental preference. This can be evidenced as successful due to the length of the waiting list for new student places. We continue to resist requests from Local Authorities to reduce our fees, pointing out to them that we do not make annual fee increases on current placements. However, modest annual increases in fee levels are necessary, but these are now only applied once a year to new placements. In increasing our fees this way, it allows LAs to budget for the life of a placement for each individual student. We remain keen to give Local Authorities value for money and positive outcomes which means retaining practices that we know work for our students and thereby benefit their outcomes and in turn the placing Authorities. High staff-to-student ratios continue to be necessary for our provision to be successful and remain one of the major differences between Breckenbrough and other schools.

In applying the requirement under FRS102, a liability has been recognised for the agreed future deficit payments on the pension scheme with Pensions Trust. The pension deficit recognised at the year-end was £4,277 (2023: £14,104).

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

##### **Legal status**

Breckenbrough School Limited was formed on 23 April 2007 and commenced trading on 1 September 2008. The school is a corporate registered charity (number 1122269). The Company is governed by its Memorandum and Articles of Association, as amended by special resolutions dated 21 November 2007 and 1 October 2008.

##### **Recruitment and appointment of Governors**

Possible new Board members are approached informally, given information about the work of the Board, meet the Chair and Head Teacher to discuss their involvement, tour the school and, in most instances, attend Board or Committee meetings to learn about the business. Our practice is to issue newcomers with information regarding the charity's policies, constitution, meeting procedures, and an indication of their possible duties. Following appointment, new Governors receive an induction which covers the responsibilities in governance and safeguarding. During the year, the Board arranges regular in-house training sessions aimed at improving Governors' knowledge of the school and understanding of their roles. Where needed (e.g. in relation to Safeguarding, OFSTED inspection preparation) specific information and/or training sessions are 'bought in' or attended outside school.

##### **Organisational structure**

In the year ended 31 August 2024 the Governing Body included five Trustees who were members of the Religious Society of Friends (Quakers) appointed by 'Quakers in Yorkshire', the body representing the Religious Society of Friends in the area. The Trustees served as Directors of the Company. The conduct of the

## **Breckenbrough School Limited**

### **Report of the Trustees and Strategic Report for the Year Ended 31 August 2024**

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school was under the direction of the Board in accordance with the purposes, character and ethos of the school as determined by the Trustees. There were six other members of the Board, one appointed by North Yorkshire Council, two being parents of students who are in the school identified by the Head in consultation with parents elected by the parents, and two co-opted by the Board. In making decisions on all matters, successful efforts were made to achieve unity on the Board after the Quaker manner.

Appointments to the Board are for a period of four years, and there is an option to appoint for a second tenure period.

#### **Committees**

There are two Committees reporting to the Board - an Education Committee, which covers all areas identified in our curriculum policy, along with safeguarding, and a Resources Committee that has finance, marketing, personnel and premises within its remit. Individual Governors take specific responsibilities for Health and Safety, Child Protection, Careers, Teaching and Learning, SEN and Residential and this year we are introducing a new link for governors to oversee Quality of Life. There is also a Strategy and Development Committee (made up of the full Board Chair, the Education Chair, the Resources Chair and members of the school Senior Leadership Team). All committees meet at least three times a year, following the same cycle each term leading up to the Full Governing Board meeting.

#### **Related parties**

Some members of the governors/trustees also serve on the Board of the Charity, known as Beyond Breckenbrough, whose activities include assistance with transition from the school along with the provision of financial and other assistance to old boys of Breckenbrough School, directly or otherwise.

During the year the charity paid £8,896 (2023: £8,303) as part of a combined policy which includes Trustee Indemnity Insurance.

#### **Key management personnel remuneration**

The trustees consider the board of trustees, Headteacher and the Senior Leadership Team as comprising the key management personnel of the charity, in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 9 to the accounts.

Trustees and key personnel are required to disclose all relevant interests and register them with the Bursar and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises. Neither the Trust nor any of the trustees have interests with other independent special schools but any such interests would be disclosed.

The pay of the Headteacher is reviewed annually and normally increased in accordance with average sector earnings. In view of the nature of the charity, the remuneration is bench-marked with similar establishments of a similar size and activity to ensure that the remuneration set is fair, and not out of line with that generally paid for similar roles.

#### **Pay policy for senior staff**

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the directors benchmark against pay levels in other special schools of a similar size run on a charitable basis. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 30% for any additional responsibilities.

## **Breckenbrough School Limited**

### **Report of the Trustees and Strategic Report for the Year Ended 31 August 2024**

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#### **Reserves policy**

Wherever possible the Trustees try to build resilience within the balance sheet and the charity's aims are to increase reserves wherever possible to manage increases to salaries and pensions that are outside of the school's control.

The level of total funds at the year-end were £4,080,110 (2023: £4,105,678). The Trustees report that the level of unrestricted reserves less unrestricted fixed assets and investments as detailed in note 18, has decreased from £1,362,156 in 2023 to £1,231,707 on 31 August 2024.

The Charity still aims to increase cash reserves through prudent management of overall expenditure, to enable a free cash reserve fund to be available to add to the stability of the school. The target level of reserves is based on 6 months of operating expenditure, which is approximately £2,000,000.

In assessing the ability of the school to continue as a going concern the Trustees are mindful of the future commitments and cash is monitored day to day and longer term. The Trustees are of the view that the charity is a going concern.

#### **Fundraising**

The school co-ordinates low-level fund-raising activities for a range of local and national charities such as Children in Need, Red Nose Day, Save the Children etc. We also undertake fundraising to benefit the school as whole to support specific projects for new equipment for example. These are either led by the school or its employees. We are not registered with the fundraising regulator or with any professional fundraisers or commercial participators.

#### **Land and buildings**

The Trustees are of the opinion that the open market value of the land and buildings is materially in excess of book value. This can be evidenced by our most up to date valuation which was concluded in August 2023. Governors currently request that a valuation is undertaken every three years. This year's valuation purposefully was slightly delayed so it could include the new therapeutic building called The Hub. The same valuation is used to aid accurate insurance cover based on a rebuild value.

#### **Plans for the future**

The Strategy and Development group meet to consider plans to secure the longevity of the school's future.

Open thinking is encouraged so as all angles can be considered. Senior leaders are active in keeping abreast of changes to Department for Education thinking and published strategy on SEND to feed into our considerations. Current discussions and investigations centre around sustainability and how we can maintain our standing in the sector, whilst larger commercial enterprises continue to grow with the likes of Cambian, Witherslack Group, and Priory either taking over smaller schools or developing additional provision. We must not be blinkered to these potential threats. The SEND Improvement plan by the last government is being mentioned by our new government but with no legislative changes made. Senior leaders continue to attend sessions to understand the implications of the changes mentioned in this document and how these could potentially affect Breckenbrough and the wider SEN sector.

It is very evident that these current risks have been considered in the past by our trustees and that informed planning has stood the charity in good stead going forward. We need to remain focused and open to change.

## Breckenbrough School Limited

### Report of the Trustees and Strategic Report for the Year Ended 31 August 2024

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#### **Funds held as custodian for others**

The company is the Custodian Trustee of the Breckenbrough School Charitable Trust and also the sole Trustee entrusted to manage the affairs of that charitable Trust which includes the permanent endowment property and investments as indicated in note 11 of these financial statements. The Company has included the freehold land and buildings and investments subject to permanent endowment within its balance sheet.

#### **Statement of Trustees' responsibilities**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

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

In so far as the trustees are 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Strategic Report**

##### **Principal risks and uncertainties**

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Governors examine the principal areas of the school's operations, and the major risks faced in each area. All school policies and internal systems are appraised regularly and strengthened, and risks are minimised by the implementation as necessary of revised policies and procedures for the management of all activities including the authorisation of all transactions, projects and procedures. Most of the existing policy documents have been reviewed recently including Child Protection, Safeguarding, Health and Safety, Fire

## **Breckenbrough School Limited**

### **Report of the Trustees and Strategic Report for the Year Ended 31 August 2024**

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Risk Assessment and Emergency Procedures. The school also reviews its activities to respond to the requirements set by OFSTED.

A relatively new business risk which the school has to manage is linked to which Local Authorities (LA) we work with and in turn provide a large proportion of the school's overall income. Until recently the school had a reasonably even spread of placements over about 20 LA's (Local Authority's), but in the last two years one LA has provided with approximately 40% of the overall student placements. Although this provides the school with an ease of working relationship, it does mean a large proportion of our income is from one source. The management team meet with this LA termly to review their SEND strategy to ensure their decisions and future planning would not jeopardise the student numbers placed at Breckenbrough. This LA understands that the school has invested in infrastructure, staffing and new facilities to meet the needs of the students based on the current level of occupancy. The LA understand that they are pivotal in the ongoing budget planning of the school and have offered assurances that if their student numbers were to significantly change due to them creating their own provision, they would work with us in managing the withdrawal of the students and financial impact this would create.

The Trustees are satisfied the major risks have been established and action taken to mitigate those risks.

#### **Development and wider risks**

As a small school, that is not part of a large consortium, the Governors main aim is always on financial security as a business, charity and employer. We are very aware of fragility in a sector that has seen an exponential increase in the number of EHCPs (Educational, health and care plan) issued and the pressure this puts on the local authorities that commission the placements. As such we endeavour to keep fee prices as low as possible without adding financial fragility to the school as a business. The financial pressures on the local authorities across the United Kingdom, mean funding in the future could be in jeopardy and this is a worrisome thought but is outside of our control. We aim to keep abreast of financial plans for local authorities that place the students with us, in an aim to have transparent conversations with them about their strategic plan for SEND in their local area. We also consider the information shared from the Department for Education relating to the SEND sector and how SEND needs can be partially met by inclusion in the mainstream sector and whether this could see a reduction in students that we are introduced to. To add financial assurance in our income, we are currently considering how we can diversify our income streams to generate income from sources other than local authorities.

Our statement of principles and practice is to always meet the individual needs of our niche students. Being an autistic specialist school, that offers full national curriculum up to GCSE and A level standard, means we are very different to most other autistic providers. All our students are cognitively able and aspire to go to university, further education and or apprenticeships. Our behaviour policy is student centred and based on the students wanting to learn and us creating an environment in which their anxieties are lowered, and they can access their education. To manage behaviour we use distraction, diffusion, time, space and understanding. The school is run under a Quaker ethos and this along with our statement of principles and practice are key identifiers as to why we are very different to most autistic specialist schools. Our student's results, and transition routes show that we successfully meet the needs of our students, and the majority go on to have happy, independent and successful lives.

To ensure we are attractive to local authorities the school must maintain a good or higher Ofsted grading. As such we oversee, monitor and challenge the management team, to ensure there is visible progress on the school's five school improvement plans (SIPs). These documents ensure that policies, protocols and practice always move forward. Practice needs to be informed from global experts on the autistic sector. As a board we ensure we have a visible presence in the school, and we plan how our oversight covers all aspects of the provision. We are critical friends in an aim to push the provision and charity forward for constant improvement.

**Breckenbrough School Limited**

**Report of the Trustees and Strategic Report  
for the Year Ended 31 August 2024**

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Approved by order of the board of trustees on 21 March 2025 and signed on its behalf by:

A handwritten signature in black ink, consisting of the letters 'J' and 'M' in a cursive, stylized font.

J Margham

## **Breckenbrough School Limited**

### **Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited**

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#### **Opinion**

We have audited the financial statements of Breckenbrough School Limited for the year ended 31 August 2024 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash flows 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 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 charitable company's state of affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

The other information comprises the information included in the 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.

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

## **Breckenbrough School Limited**

### **Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited**

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misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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:

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

#### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

## **Breckenbrough School Limited**

### **Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited**

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opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, guidance issued by the Charity Commission for England and Wales and guidance issued by the Department for Education.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

**Breckenbrough School Limited**

**Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited**

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**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.

*Saffery LLP*

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Sally Appleton BA (Hons) FCA (Senior Statutory Auditor)  
For and on behalf of

Saffery LLP  
10 Wellington Place  
Leeds  
LS1 4AP

10 April 2025

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Breckenbrough School Limited

**Statement of Financial Activities  
(including income and expenditure account)  
for the year ended 31 August 2024**

		Unrestricted funds	Restricted funds	Endowment funds	2024 Total funds	2023 Total funds
	Notes	£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and legacies	3	12,346	94,396	-	106,742	75,742
Charitable activities	4	4,227,559	789,728	-	5,017,287	4,880,329
Other trading activities		8,737	-	-	8,737	9,378
Investments		-	-	3,538	3,538	846
Other	5	36,976	-	-	36,976	24,659
<b>Total</b>		<b>4,285,618</b>	<b>884,124</b>	<b>3,538</b>	<b>5,173,280</b>	<b>4,990,954</b>
<b>Expenditure on:</b>						
Raising funds		403	-	-	403	645
Charitable activities	6	4,314,315	884,124	-	5,198,439	4,624,378
<b>Total</b>		<b>4,314,718</b>	<b>884,124</b>	<b>-</b>	<b>5,198,842</b>	<b>4,625,023</b>
<b>Net (expenditure)/income</b>		<b>(29,100)</b>	<b>-</b>	<b>3,538</b>	<b>(25,562)</b>	<b>365,931</b>
Transfers between funds	17	3,538	-	(3,538)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial (loss)/gain on defined Benefit Scheme		(6)	-	-	(6)	140
<b>Net movements in funds</b>		<b>(25,568)</b>	<b>-</b>	<b>-</b>	<b>(25,568)</b>	<b>366,071</b>
<b>Reconciliation of funds:</b>						
<b>Total funds brought forward</b>		<b>3,952,599</b>	<b>20,000</b>	<b>133,079</b>	<b>4,105,678</b>	<b>3,739,607</b>
<b>Total funds carried forward</b>		<b>3,927,031</b>	<b>20,000</b>	<b>133,079</b>	<b>4,080,110</b>	<b>4,105,678</b>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes form part of these financial statements.

**Breckenbrough School Limited**

**Balance Sheet  
as at 31 August 2024**

	Notes	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	11	<b>2,779,027</b>	2,674,814
Investments	12	<b>49,376</b>	48,708
		<b><u>2,828,403</u></b>	<u>2,723,522</u>
<b>Current assets</b>			
Stocks		<b>5,626</b>	5,125
Debtors	13	<b>1,674,630</b>	1,003,005
Cash at bank and in hand		<b>1,440,785</b>	2,027,659
		<b><u>3,121,041</u></b>	<u>3,035,789</u>
<b>Creditors</b>			
Amounts falling due within one year	14	<b>(1,869,334)</b>	(1,649,879)
		<b><u>1,251,707</u></b>	<u>1,385,910</u>
<b>Net current assets</b>			
		<b>4,080,110</b>	4,109,432
<b>Total assets less current liabilities</b>			
		<b>4,080,110</b>	4,109,432
<b>Creditors</b>			
Amounts falling due after more than one year	15	<b>-</b>	(3,754)
		<b><u>4,080,110</u></b>	<u>4,105,678</u>
<b>Net assets</b>			
		<b>4,080,110</b>	4,105,678
<b>Funds</b>	17		
Unrestricted funds – general		<b>3,417,031</b>	3,442,599
Unrestricted funds – designated		<b>510,000</b>	510,000
Restricted funds		<b>20,000</b>	20,000
Endowment funds		<b>133,079</b>	133,079
		<b><u>4,080,110</u></b>	<u>4,105,678</u>
<b>Total funds</b>			
		<b>4,080,110</b>	4,105,678

The notes form part of these financial statements

The financial statements were approved by the Board of Trustees on 21 March 2025 and were signed on its behalf by:

  
J. Margham  
Trustee

Registered company number 06223076

**Breckenbrough School Limited**

**Statement of cash flows  
for the year ended 31 August 2024**

	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	(272,275)	779,217
<b>Cash flows from investing activities</b>			
Interest from investments		3,538	846
Purchases of property, plant and equipment		(317,469)	(955,512)
		(313,931)	(954,666)
<b>Cash flows from financing activities</b>			
		-	-
<b>Change in cash and cash equivalents in the reporting period</b>			
		(586,206)	(175,449)
Cash and cash equivalents at the beginning of the reporting period			
		2,076,367	2,251,816
Cash and cash equivalents at the end of the reporting period			
	20	1,490,161	2,076,367

**Analysis of changes in net debt**

	At 1 Sept 2023 £	Cash flows £	At 31 Aug 2024 £
Cash	2,076,367	(586,206)	1,490,161
	<u>2,076,367</u>	<u>(586,206)</u>	<u>1,490,161</u>
Total	<u>2,076,367</u>	<u>(586,206)</u>	<u>1,490,161</u>

The notes form part of these financial statements

**1. Accounting policies**

**Accounting convention**

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Breckenbrough School Limited meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**Going concern**

In assessing the ability of the school to continue as a going concern the Trustees are mindful of the future commitments and cash is monitored day to day and longer term. The Trustees are of the view that the company is a going concern.

**Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably and are stated gross within the Statement of Financial Activities.

Fees receivable consists of charges levied for the provision of services for the year to 31 August 2024 in accordance with the Trust Deed.

Grants are recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Where the donor has imposed restrictions then the grant is treated as a restricted fund. Grants which are repayable if not utilised within a specific period are deferred until expended.

Legacies are recognised when the entitlement to the legacy is known with certainty, the value of the legacy receipt can be quantified with reasonable certainty and the timing of the receipt is known with reasonable probability.

Incoming resources from endowment funds are unrestricted income.

**Resources expended**

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

Irrecoverable VAT is included in the SOFA in the cost of the expenditure incurred.

## Breckenbrough School Limited

### Notes to the financial statements (continued) for the year ended 31 August 2024

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#### 1. Accounting policies (continued)

Costs of generating funds comprise the costs associated with attracting pupils, in order to generate income.

Education and training comprise the costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting with the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis, e.g. estimated usage.

#### **Tangible fixed assets**

Fixed assets are stated at historical cost.

No depreciation is provided on freehold land.

Depreciation is provided on all other tangible fixed assets at rates calculated to write each assets down to its estimated residual value over its expected useful life, as follows:

Freehold properties	2% - Straight line
Equipment, fixtures and fittings	20% - Reducing balance (except boilers 4% straight line)
Computer equipment	33.3% - Straight line
Motor vehicles	25% - Reducing balance

Leased assets are depreciated on a straight line basis over the period of the lease.

Donated assets are capitalised at estimated cost.

#### **Stocks**

Stocks are valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

#### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

#### **Financial instruments**

The charity 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 measure at their settlement value with the exception of bank loans which are subsequently measured at amortised costs using the effective interest method.

**Notes to the financial statements (continued)  
for the year ended 31 August 2024**

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**1. Accounting policies (continued)**

**Fund accounting**

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

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

Endowment funds are restricted funds that represent a donation to the Charity with specific criteria that the Charity must follow.

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

**Hire purchase and leasing commitments**

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

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

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

The Charity contributes to the Teachers' Pension Defined Benefits 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.

In respect of non-teaching staff, the school contributes to a defined benefit scheme administered by the Pension Trust. 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.

Contributions to both schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

**Teaching costs**

Supplies of games equipment, books, stationery and sundry materials are written off to the general fund account when the expenditure is incurred.

Breckenbrough School Limited

Notes to the financial statements (continued)  
for the year ended 31 August 2024

2. Comparative SOFA

	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2023
	£	£	£	£
Donations and legacies	455	75,287	-	75,742
Charitable activities	4,100,203	780,126	-	4,880,329
Other trading activities	9,378	-	-	9,378
Investments	-	-	846	846
Other	24,659	-	-	24,659
<b>Total</b>	<b>4,134,695</b>	<b>855,413</b>	<b>846</b>	<b>4,990,954</b>
Raising funds	645	-	-	645
Charitable activities	3,768,965	855,413	-	4,624,378
<b>Total</b>	<b>3,769,610</b>	<b>855,413</b>	<b>-</b>	<b>4,625,023</b>
<b>Net income</b>	<b>365,085</b>	<b>-</b>	<b>846</b>	<b>365,931</b>

3. Income from donations and legacies

	Unrestricted funds	Restricted funds	Endowment funds	2024	2023
	£	£	£	£	£
Donations	12,346	-	-	12,346	455
Grants	-	94,396	-	94,396	75,287
	<b>12,346</b>	<b>94,396</b>	<b>-</b>	<b>106,742</b>	<b>75,742</b>

4. Income from charitable activities

	Unrestricted funds	Restricted funds	Endowment funds	2024	2023
	£	£	£	£	£
Fees	4,089,640	-	-	4,089,640	4,006,461
Recharges for other costs	137,919	-	-	137,919	93,742
ESFA	-	789,728	-	789,728	780,126
	<b>4,227,559</b>	<b>789,728</b>	<b>-</b>	<b>5,017,287</b>	<b>4,880,329</b>

Breckenbrough School Limited

Notes to the financial statements (continued)  
for the year ended 31 August 2024

5. Income from other activities

	Unrestricted funds	Restricted funds	Endowment funds	2024	2023
	£	£	£	£	£
RHI and FIT income	26,221	-	-	26,221	14,194
School Trips	240	-	-	240	3,875
Computing and cycle to work scheme	9,160	-	-	9,160	5,746
Other	1,355	-	-	1,355	844
	<u>36,976</u>	<u>-</u>	<u>-</u>	<u>36,976</u>	<u>24,659</u>

6. Expenditure on charitable activities

	Direct costs	Support costs	2024	2023
	£	£	£	£
School	3,799,352	877,221	4,676,573	4,156,049
Welfare	16,363	-	16,363	35,478
Premises	505,503	-	505,503	432,851
	<u>4,321,218</u>	<u>877,221</u>	<u>5,198,439</u>	<u>4,624,378</u>

7. Support costs

	Management	Finance	Information technology	Human resources	Totals
	£	£	£	£	£
School	698,350	37,973	124,834	16,064	<b>877,221</b>

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

	2024	2023
	£	£
Wages	<b>352,641</b>	341,242
Social security	<b>30,795</b>	33,253
Pensions	<b>38,864</b>	29,839
Hire of plant and machinery	<b>55,756</b>	30,742
Insurance	<b>99,565</b>	86,489
Postage and stationery	<b>41,008</b>	42,428
Travelling and motor	<b>52,726</b>	51,897
Professional fees	<b>24,715</b>	9,953
Bank charges	<b>2,280</b>	1,784
Computer licences and IT	<b>124,834</b>	89,413
Recruitment	<b>16,065</b>	17,681
Governance	<b>37,973</b>	18,622
	<u><b>877,221</b></u>	<u>753,343</u>

## Breckenbrough School Limited

### Notes to the financial statements (continued) for the year ended 31 August 2024

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#### 8. Net incoming resources

Net resources are stated after charging:

	2024	2023
	£	£
Governors' travel	416	1,041
Auditors' remuneration	21,500	19,750
Auditors' remuneration for non audit work	-	1,800
Depreciation - owned assets	213,256	195,642
Hire of plant and machinery	55,756	30,741
	<u>290,928</u>	<u>248,974</u>

#### 9. Trustees' remuneration and benefits

The charity trustees were not paid or received any other benefits from employment with the Charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

##### Trustees' expenses

The trustees were reimbursed for expenses during the year to a total of £416 (2023:£1,041).

#### 10. Staff costs and the cost of key management personnel

	2024	2023
	£	£
Wages and salaries	3,109,910	2,835,413
Social security costs	317,060	286,736
Other pension costs	434,168	380,860
	<u>3,861,138</u>	<u>3,503,009</u>
Supply staff costs	39,614	64,451
	<u>3,900,752</u>	<u>3,567,460</u>

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

	2024	2023
Teaching	54	49
Domestic	10	10
Care	11	12
Administration	12	12
Counselling	1	1
	<u>88</u>	<u>84</u>

**Breckenbrough School Limited**

**Notes to the financial statements (continued)  
for the year ended 31 August 2024**

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**10. Staff costs and the cost of key management personnel (continued)**

The number of employees included in the above whose emoluments, excluding pension contributions, exceeded £60,000 were as follows:-

	<b>2024</b>	<b>2023</b>
£60,000 to £70,000	1	3
£70,001 to £80,000	2	-
£80,001 to £90,000	-	-
£90,001 to £100,000	-	-
Over £100,001	<u>1</u>	<u>1</u>

Pension contributions paid into a defined benefit scheme for the four members (2023: four members) of staff earning over £60,000 were £54,635 (2023: £48,103).

The key management personnel of the charity comprise the board of trustees, Head Teacher and the senior leadership team. The total employee benefits of the key management personnel of the Trust were £366,524 (2023: £343,613).

Included in staff costs and paid in the year were redundancy and termination payments totalling £33,345 - 1 employee (2023 : £nil - nil employees).

**Breckenbrough School Limited**

**Notes to the financial statements (continued)  
for the year ended 31 August 2024**

<b>11. Tangible fixed assets</b>	<b>Land and buildings</b>	<b>Plant and machinery etc</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 September 2023	2,466,790	1,408,733	3,875,523
Additions	5,689	311,780	317,469
Disposals	-	-	-
Transfers	-	-	-
	<u>2,472,479</u>	<u>1,720,513</u>	<u>4,192,992</u>
At 31 August 2024			
<b>Depreciation</b>			
At 1 September 2023	360,128	840,581	1,200,709
Charge for year	51,059	162,197	213,256
Disposals	-	-	-
Transfers	-	-	-
	<u>411,187</u>	<u>1,002,778</u>	<u>1,413,965</u>
At 31 August 2024			
<b>Net book value</b>			
At 31 August 2024	<u><b>2,061,292</b></u>	<u><b>717,735</b></u>	<u><b>2,779,027</b></u>
At 31 August 2023	<u>2,106,662</u>	<u>568,152</u>	<u>2,674,814</u>

Included in cost or valuation of land and buildings is freehold land of £500 (2023 - £500)

The Company is the Custodian Trustee of the Breckenbrough School Charitable Trust and also the sole Trustee entrusted to manage the affairs of that Charitable Trust which includes the permanent endowment property and investments as indicated in note 17 of these financial statements. Financial Reporting Statement 102 requires that the substance of an entity's transactions is reported in its financial statements.

This requires that the commercial effect of a transaction and any resulting assets, liabilities, or gains and losses are shown and that the accounts do not merely report the legal form of a transaction. Following this, the Company has included the freehold land and buildings, and investments subject to permanent endowment, within its Balance Sheet.

All fixed assets are held for continuing use in the Charity's activities.

The freehold land and buildings were professionally valued on 30 August 2023 on an open market basis at £2,900,000 by Barry Crux & Company Limited, Chartered Surveyors.

**Breckenbrough School Limited**

**Notes to the financial statements (continued)  
for the year ended 31 August 2024**

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**12. Fixed asset investments**

By the Trust Deed, the investments are not subject to the limitations of the Trustee Investments Act. The investments represent a bank deposit account within the Endowed Funds (see notes 17 and 18).

**13. Debtors: amounts falling due within one year**

	2024	2023
	£	£
Trade debtors	1,451,781	803,558
Other debtors	<u>222,949</u>	<u>199,447</u>
	<u><b>1,674,630</b></u>	<u><b>1,003,005</b></u>

**14. Creditors: amounts falling due within one year**

	2024	2023
	£	£
Trade creditors	33,880	37,058
Taxation and social security	68,761	71,506
Other creditors	1,762,416	1,530,965
Pension scheme liability	<u>4,277</u>	<u>10,350</u>
	<u><b>1,869,334</b></u>	<u><b>1,649,879</b></u>

Other creditors comprised:	2024	2023
	£	£
Fees in advance	1,521,991	1,427,035
Pension scheme contributions	54,034	46,468
Accruals	105,505	55,523
Deferred Grant Income	78,771	-
Other creditors	<u>2,115</u>	<u>1,939</u>
	<u><b>1,762,416</b></u>	<u><b>1,530,965</b></u>

Breckenbrough School Limited

Notes to the financial statements (continued)  
for the year ended 31 August 2024

15. Creditors: Amounts falling due after more than one year

	2024	2023
	£	£
Pension	-	3,754
	<u>-</u>	<u>3,754</u>

16. Operating lease commitments

At 31 August 2024 the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	34,600	34,664
Between one and five years	<u>25,692</u>	<u>23,904</u>
	<u>60,292</u>	<u>58,568</u>

17. Movement in funds

	At 1.9.23	Incoming resources	Resources expended	Gains, losses and transfers	At 31.8.24
	£	£	£	£	£
<b>Unrestricted funds</b>					
General fund	3,442,599	4,285,618	(4,231,448)	(79,738)	3,417,031
Designated fund	510,000	-	-	-	510,000
Capital grant	-	-	(83,270)	83,270	-
	<u>3,952,599</u>	<u>4,285,618</u>	<u>(4,314,718)</u>	<u>3,532</u>	<u>3,927,031</u>
<b>Restricted funds</b>					
DFC Grant	-	94,396	(94,396)	-	-
Equipment fund	20,000	-	-	-	20,000
ESFA funding	-	789,728	(789,728)	-	-
	<u>20,000</u>	<u>884,124</u>	<u>(884,124)</u>	<u>-</u>	<u>20,000</u>
<b>Endowed funds</b>					
Foundation capital	84,579	-	-	-	84,579
Lone House capital	48,500	3,538	-	(3,538)	48,500
	<u>133,079</u>	<u>3,538</u>	<u>-</u>	<u>(3,538)</u>	<u>133,079</u>
<b>Total funds</b>	<u>4,105,678</u>	<u>5,173,280</u>	<u>(5,198,842)</u>	<u>(6)</u>	<u>4,080,110</u>

**Notes to the financial statements (continued)  
for the year ended 31 August 2024**

**17. Movement in funds (continued)****Comparative Movement in funds**

	At 1.9.22	Incoming resources	Resources expended	Gains, losses and transfers	At 31.8.23
	£	£	£	£	£
<b>Unrestricted funds</b>					
General fund	2,781,258	4,134,695	(3,314,340)	(159,014)	3,442,599
Designated fund	722,000	-	(372,000)	160,000	510,000
Capital grant	83,270	-	(83,270)	-	-
	<u>3,586,528</u>	<u>4,134,695</u>	<u>(3,769,610)</u>	<u>986</u>	<u>3,952,599</u>
<b>Restricted funds</b>					
DFC Grant	-	75,287	(75,287)	-	-
Equipment fund	20,000	-	-	-	20,000
ESFA funding	-	780,126	(780,126)	-	-
	<u>20,000</u>	<u>855,413</u>	<u>(855,413)</u>	<u>-</u>	<u>20,000</u>
<b>Endowed funds</b>					
Foundation capital	84,579	-	-	-	84,579
Lone House capital	48,500	846	-	(846)	48,500
	<u>133,079</u>	<u>846</u>	<u>-</u>	<u>(846)</u>	<u>133,079</u>
<b>Total funds</b>	<b><u>3,739,607</u></b>	<b><u>4,990,954</u></b>	<b><u>(4,625,023)</u></b>	<b><u>140</u></b>	<b><u>4,105,678</u></b>

**Capital grant - unrestricted**

This is a designated fund which represents a capital grant which was received from the Department for Education and Skills and may be repayable in the event of the closure of the School. This was fully utilised during the year.

**DFC Grant**

The DFC grant is amounts received for capital funding to be used for improvements to buildings and other facilities, including ICT, or capital repairs and refurbishment. This was fully utilised during the year.

**Equipment fund**

The equipment fund includes a brought forward donation of £20,000 to be used on equipment that will benefit pupils now and in the future.

**ESFA funding**

These monies were received from the Education and Skills Funding Agency for the education and support activities of the school and were fully utilised in the year.

**Endowed funds**

The Foundation capital represents the original endowment to provide for the establishment of the Charity. The Lone House capital represents the replacement under a recoupment order of sums expended following the sale of the property known as Lone House. The amount outstanding at the year end under the order amounted to £48,500, which represents the original value. The investment generated £3,538 of interest during the year which has been transferred to unrestricted funds.

**Breckenbrough School Limited**

**Notes to the financial statements (continued)  
for the year ended 31 August 2024**

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**17. Movement in funds (continued)**

**Designated funds**

Designated funds at 31 August 2024 comprise of:

£170,000 for the Skutterskelfe project.

£340,000 for works to the fabric of the school.

**18. Analysis of net assets between funds**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2024 Total funds £</b>
Fixed assets	2,694,448	-	84,579	2,779,027
Investments	876	-	48,500	49,376
Current assets	3,101,041	20,000	-	3,121,041
Current liabilities	(1,869,334)	-	-	(1,869,334)
Long term liabilities	-	-	-	-
	<u>3,927,031</u>	<u>20,000</u>	<u>133,079</u>	<u>4,080,110</u>

**Prior year analysis of net assets between funds**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2023 Total funds £</b>
Fixed assets	2,590,235	-	84,579	2,674,814
Investments	208	-	48,500	48,708
Current assets	3,015,789	20,000	-	3,035,789
Current liabilities	(1,649,879)	-	-	(1,649,879)
Long term liabilities	(3,754)	-	-	(3,754)
	<u>3,952,599</u>	<u>20,000</u>	<u>133,079</u>	<u>4,105,678</u>

## Breckenbrough School Limited

### Notes to the financial statements (continued) for the year ended 31 August 2024

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#### 19. Reconciliation of net income to net cash flow from operating activities

	2024	2023
	£	£
Net income for the reporting period	(25,568)	366,071
Adjusted for:		
Depreciation	213,256	195,642
Investment income	(3,538)	(846)
(Increase) in stocks	(501)	1,820
(Increase) in debtors	(671,625)	(873,534)
Increase in creditors	225,528	1,099,743
Pension scheme non-cash movement	(9,827)	(9,679)
	<u>(272,275)</u>	<u>779,217</u>

#### 20. Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand	1,440,785	2,027,659
Cash held as investment	49,376	48,708
	<u>1,490,161</u>	<u>2,076,367</u>

#### 21. Pension commitments

##### Teachers' Pension Scheme

###### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in schools and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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.

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

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every four years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October

**Notes to the financial statements (continued)  
for the year ended 31 August 2024**

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**21. Pension commitments (continued)**

2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation and subsequent consultation are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change to member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The result of this valuation was implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the period amounted to £352,366 (2023: £323,255). At the year end £42,577 (2023: £36,152) was due to the scheme. No amounts were prepaid at either year end.

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The school is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the school has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The school has set out above, the information available on the scheme.

**The Pensions Trust**

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme.

Therefore it accounts for the scheme 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 company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £515m, liabilities of £531m and a deficit of £16m. To eliminate this funding



**Breckenbrough School Limited**

**Notes to the financial statements (continued)  
for the year ended 31 August 2024**

**21. Pension commitments (continued)**

**Reconciliation of opening and closing provisions**

	Period Ending 31 August 2024 (£s)	Period Ending 31 August 2023 (£s)
Provision at start of period	14,104	23,782
Unwinding of the discount factor (interest expense)	517	812
Deficit contribution paid	(10,350)	(10,350)
Remeasurements - impact of any change in assumptions	6	(140)
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	4,277	14,104

**Income and expenditure impact**

	Period Ending 31 August 2024 (£s)	Period Ending 31 August 2023 (£s)
Interest expense	517	812
Remeasurements – impact of any change in assumptions	6	(140)
Remeasurements – amendments to the contribution schedule	-	-

\*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

**Assumptions**

	31 August 2024 % per annum	31 August 2023 % per annum	31 August 2022 % per annum
Rate of discount	5.13	6.04	4.46

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.

The assumptions are supplied by the external Actuaries.

**Breckenbrough School Limited**

**Notes to the financial statements (continued)  
for the year ended 31 August 2024**

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**22. Capital commitments**

At 31 August 2024 £nil (2023: £ni) capital expenditure had been contracted for but not provided for in the balance sheet.

**23. Related party disclosures**

Some members of the governors/trustees also serve on the Board of the Charity, known as Beyond Breckenbrough, whose activities include assistance with transition from the school along with the provision of financial and other assistance to old boys of Breckenbrough School, directly or otherwise. During the year salaries and insurance costs of £7,169 (2023: £19,657) were recharged to Beyond Breckenbrough. Balances of £5,506 were written off in the year. At the year end the school was owed £21,320 (2023: £19,657) by Beyond Breckenbrough.

There were no other related party transactions during the current or preceding year.

**24. Ultimate controlling party**

Due to the diverse nature of the membership of the company, no one member has control over the company.

**25. Limited by Guarantee**

The company is limited by guarantee so has no share capital. The members have guaranteed to provide an amount of £1 in the event of the winding up of the company.

**BRECKENBROUGH SCHOOL LIMITED**

England & Wales - Charity number 1122269

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# Accounts

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**Registered Company Number: 06223076 (England and Wales)**  
**Registered Charity Number: 1122269**

**Breckenbrough School Limited**

**Report of the Trustees and Financial Statements  
for the Year Ended 31 August 2023**

**Breckenbrough School Limited**

**Contents of the Financial Statements  
for the Year Ended 31 August 2023**

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**Breckenbrough School Limited****Report of the Trustees  
for the Year Ended 31 August 2023**

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The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2023.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**Reference and administrative details**

**Registered Company number** 06223076 (England and Wales)

**Registered Charity number** 1122269

**Registered office** Sandhutton  
Breckenbrough  
Thirsk  
YO7 4EN

**Trustees**

Ruth McTighe Chair from 10.03.2023  
Stefan Lewicki

John Littlefair  
John Margham  
Alison Clarke Chair resigned 10.03.2023  
Digby Swift

**Key Management Personnel**

Headmaster	Simon Bannister
Deputy Headmaster	James Shutt
Head of Social Education	Stuart Edwards
Bursar	Sue Jones

**Auditors**

Saffery LLP  
Mitre House  
North Park Road  
Harrogate  
North Yorkshire  
HG1 5RX

**Solicitors**

North Yorkshire Council  
County Hall  
Northallerton  
DL7 8AD

**Breckenbrough School Limited**

**Report of the Trustees  
for the Year Ended 31 August 2023**

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**Reference and administrative details (continued)**

<b>Bankers</b>	Barclays Bank plc 25 St James Street Harrogate HG1 1ZT
<b>Insurers</b>	Innovation Broking 20 St Dunstons Hill London EC3R 8HL
<b>Co-opted Members</b>	Richard Clarke Resigned 23.06.2023 Sally Burton Resigned 15.03.2024
<b>Staff Representative Governors</b>	Aisling Hyland Appointed 17.06.2022 - Resigned 24.11.2023 Lynette l'Anson Appointed 15.03.2024
<b>Headmaster</b>	Simon Bannister
<b>Governor appointed by North Yorkshire Council</b>	Alyson Baker Appointed 01.05.2022 Resigned 30.04.2023 David Webster Appointed 01.05.2022 Resigned 30.04.2023 Nigel Knapton Appointed 01.05.2023
<b>Parent Governors</b>	Carl Wright Daniel Hunter

## **Breckenbrough School Limited**

### **Report of the Trustees for the Year Ended 31 August 2023**

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### ***Our vision is always to put the individual needs of the students first.***

#### **Aims, Objectives and Activities**

##### **Aims**

Breckenbrough School provides education and care for boys from 9 to 19 years of age. Each student at the school has an Education Health and Care Plan created by his funding Local Authority (LA) that identifies him as having complex needs such as Autism. Authorities from many parts of the UK place students at Breckenbrough. We are currently working with local authorities down as far as London and across to Cumbria along with all those LAs that share a boundary with North Yorkshire.

We aim to support our students to achieve two key goals during their time at Breckenbrough. Firstly, to be themselves, aspire and be successful. Secondly, to develop strategies and coping mechanisms to help them thrive in the neurotypical world.

##### **Objectives**

We review our aspirations and school improvement objectives, along with the student outcomes on a termly basis. These are achieved with the immense amounts of work completed by the staff team. The Governors focus on the overall school improvement objectives. In individual cases, staff adapt education and care plans for students so that the school always responds as appropriately as it can to an individual student's specific needs. Done with care, this helps each student to improve on his own "previous best" performances in a range of subjects, social skills and emotional resilience, and to learn to take increasing responsibility for his own learning and development.

The school works with a "one team" approach. By integrating academic, social education along with therapeutic support mechanisms to meet specific individual needs, each element plays a vital role in providing a framework for helping the students to achieve their potential and a quality of life.

##### **Activities**

Like our students, Breckenbrough is unique; offering a bespoke, special school approach in the delivery of our holistic curriculum. We pride ourselves in being a 'specialist' school, providing a nurturing, supportive and low stress environment to help our students learn to manage their anxiety levels and specific needs to make holistic progress towards their individual outcomes.

Our vision is to improve the Quality of Life for all our students in becoming healthy, happy and successful adults.

In order to improve the quality of our student's lives, we aim to support our students to achieve two key goals during their time here:

1. To be themselves, aspire and be successful.
2. To develop strategies and coping mechanisms to move towards a level of self-actualisation in order to thrive in the neurotypical world.

Following the model of Maslow's Hierarchy of Need, every student arrives at Breckenbrough seeking a safe, nurturing environment where they can be accepted and learn. Due to their adverse experiences in prior settings, our first goal is to reduce anxiety levels and for every student to feel safe and secure in the school environment. It is unreasonable to expect any progress until this has been achieved, especially with their academic studies. Every student progresses through the school seeking to achieve what Maslow terms as self-actualisation, which is essential in achieving the second key goal. As a student progresses upwards through the levels of Maslow, there is a parallel increase in engagement, learning and progress. In order to achieve this, high staff to student ratios are required with class sizes of no more than five students.

## **Breckenbrough School Limited**

### **Report of the Trustees for the Year Ended 31 August 2023**

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Our students are well supported by our experienced and committed team of staff. Each student works alongside a core group of professionals, which includes a keyworker, whose responsibility it is to ensure that the students' needs are met, their development is planned and monitored, and their outcomes are celebrated and communicated with parents and professionals. The keyworker is crucial in providing the link between the student in school and the student's home and family life. We have a therapeutic team on site which includes a full-time Psychologist, Occupational and a Speech and Language Therapist. The coordination of work between the school team, our families and any external professionals is crucial in supporting the students in working towards achieving the two key goals during their time at Breckenbrough.

Part of Breckenbrough School's curriculum provides education to GCSE and A level standard. Some of the education provision is offered through third party providers with our staff in support, which helps in the transition to independent living and higher education studies. The school also gives great attention to the boys' physical, mental and spiritual welfare and helps students to develop positive relationships with peers and adults. The After-care provision, through Beyond Breckenbrough (rarely found elsewhere), continues to provide practical assistance to old scholars, as well as help with career guidance and further development of life skills.

The School had an average number of 68 (2022 – 69) students on roll during the year.

#### **Public Benefit**

The Trustees have had due regard to guidance published by the Charities Commission on public benefit. The students' achievements are part of the benefit, in that we help to create and develop mature citizens. We regularly offer the school for summer school hire. We work with a charity called Campus Holidays who offer fully funded holidays to under-privileged children and those from deprived backgrounds. This is a very successful opportunity for both the school and Campus and benefits circa 90 children to enjoy a holiday they would not normally have. Although we had a hiatus during the pandemic, the holidays restarted in 2022 and are providing an essential break and opportunities for these young people.

#### **Achievements and Performance**

The school has a long record of successfully changing the lives and behaviour of its scholars. Before coming to the school, a young person will frequently have been the cause of deep concern to parents and educators alike, and in numerous cases has been a "hard to place" student. Parents frequently tell us of the positive change in attitude displayed by their son after arriving at Breckenbrough, within months or even weeks. These kinds of dramatic changes in attitude have continued during the period of this report. We have published case studies on our students' experiences on our website. These can be found at Case Studies - Breckenbrough School (<https://www.breckenbrough.org.uk/life/life-at-breckenbrough/welcome/case-studies/>).

We have retained our good grading in our social care inspection in June 2023. The report states '*Children enjoy coming to the school and being part of the residential provision. They develop trusting relationships with staff and they feel valued and cared for by nurturing and encouraging staff who want the best for children. Children enjoy the time that they spend with the staff, and they make memories from their experiences such as going on a skiing holiday to Italy. This supports their social well-being, as the children spend time in groups developing their communication skills.*'

The last academic inspection of the school took place in November 2021, in which our overall rating was judged to be requiring improvement. The school was judged to be good in the areas of Personal Development, Behaviour and Attitudes and Sixth Form provision. Quality of Education was deemed to require improvement and this directs the overall judgement regardless of other areas for inspection. As such, Leadership and Management was also judged to be requiring improvement. The inspection team were

## **Breckenbrough School Limited**

### **Report of the Trustees for the Year Ended 31 August 2023**

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unable to accept that our curriculum model is holistic and that the quality of education should take into account social progress and self-management alongside academic attainment. It was also a challenge for the inspection team to acknowledge the numerous barriers our students overcome in younger year groups to reach the stage where they are accessing the academic curriculum consistently in Key Stage 4 and 5. We were therefore disappointed with the overall judgement and believe we provide an excellent standard of education from our students' relative starting points but have accepted the judgement and have already made strides forwards as a school. One such development is the introduction of a new curriculum pathway that takes a structured and measurable approach in the delivery of our holistic outcomes within Key Stage 2 and 3. We are due our next Section 5 inspection by Spring 2024, where we will need to have addressed the areas requiring improvement. An action plan is in place and we have made excellent progress towards the objectives set out within this document and any other areas.

Of the students who graduated from the school in Summer 2023, all made the successful transition to higher education, further education or some form of vocational placement or employment. This is the sixth year in succession where students had 100% successful transitions. University transitions this year include York and Oxford.

The school continues to develop and diversify the curriculum in order to provide a platform for every student to achieve, irrespective of their starting point and identified career path.

#### **Financial Review**

Finance is always a major consideration of the Board. Financial performance is monitored and assessed carefully. This year has returned to be in line with our expectations financially, as you will see from the pages to follow, with our surplus being £366k (2022: £747k). Our income is almost entirely dependent on the number of students on roll. The school has benefited financially from grants issued by DFE relating to capital and maintenance of our building, this amounted to £75k. In budgeting we do not assume the continuation of these grants, but these funds are always welcome and go towards the capital investment in the fabric of the school property.

The construction of a new building, mentioned in last year's report, was completed and opened in April 2023. This facility, called The Hub, is already showing to be a huge benefit in supporting our holistic curriculum. The therapeutic sessions are integrated into the student's daily timetable, so the benefits can promote engagement in their academic learning. The creation of this bespoke facility also houses the equipment needed in the performance of the Outdoor Education curriculum and again it has been very well received and is now enabling us to work towards being national accredited under the Adventure Mark for the delivery of our outdoor educational program.

The Governors endorse one designation this year and that is aimed at the upgrade of our aged main building, which dates back to 1880. We designate £160k towards work needed on repairing and upgrading the roof and repairing the fabric of the school.

Last year we had accumulated a designation totalling £350k, which had been set aside to support the development on an alternative site. Due to a benefactor now being able to increase their investment in this building, we now only need to hold £170k for this project. The £180k that remains from the original £350k designation, will be directed towards this year's designation of £160k to repair and upgrade the roof and fabric of the building.

Our policy is to invest when we can in funds and investments on a basis approved by the Charity Commissioners and that remain ethical. We allow for regular strategic planning. Due to the nature of their needs, the number of students starting and leaving the school each year varies, often at irregular points throughout the year. Our parent liaison continues to ensure that Local Authorities and potential parents and

## **Breckenbrough School Limited**

### **Report of the Trustees for the Year Ended 31 August 2023**

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their support groups, are kept well aware of our existence and of the benefits we offer, so that referrals can be communicated through parental preference. This can be evidenced as successful due to the length of the waiting list for new student places. We continue to resist requests from Local Authorities to reduce our fees, pointing out to them that we do not make annual fee increases on current placements. However, modest annual increases in fee levels are necessary, but these are now only applied once a year to new placements. In increasing our fees this way it allows LAs to budget for the life of a placement for each individual student. We remain keen to give Local Authorities value for money and positive outcomes which means retaining practices that we know work for our students and thereby benefit their outcomes and in turn the placing Authorities. High staff-to-student ratios continue to be necessary for our provision to be successful and remain one of the major differences between Breckenbrough and other schools.

In applying the requirement under FRS102, a liability has been recognised for the agreed future deficit payments on the pension scheme with Pensions Trust. The pension deficit recognised at the year-end was £14,104 (2022: £23,782).

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

#### **Legal status**

Breckenbrough School Limited was formed on 23 April 2007 and commenced trading on 1 September 2008. The School is a corporate registered charity (number 1122269). The Company is governed by its Memorandum and Articles of Association, as amended by special resolutions dated 21 November 2007 and 1 October 2008.

#### **Recruitment and appointment of Governors**

Possible new Board members are approached informally, given information about the work of the Board, meet the Chair and Head Teacher to discuss their involvement, tour the school and, in most instances, attend Board or Committee meetings to learn about the business. Our practice is to issue newcomers with information regarding the charity's policies, constitution, meeting procedures, and an indication of their possible duties. Following appointment, new Governors receive an induction which covers the responsibilities in governance and safeguarding. During the year, the Board arranges regular in-house training sessions aimed at improving Governors' knowledge of the school and understanding of their roles. Where needed (e.g. in relation to Safeguarding, OFSTED inspection preparation) specific information and/or training sessions are 'bought in' or attended outside school.

#### **Organisational structure**

In the year ended 31 August 2023 the Governing Body included six Trustees who were members of the Religious Society of Friends (Quakers) appointed by 'Quakers in Yorkshire', the body representing the Religious Society of Friends in the area. The Trustees served as Directors of the Company. The conduct of the School was under the direction of the Board in accordance with the purposes, character and ethos of the School as determined by the Trustees. There were six other members of the Board, one appointed by North Yorkshire Council, two being parents of students who are in the school identified by the Head in consultation with parents elected by the parents, and two co-opted by the Board. In making decisions on all matters, successful efforts were made to achieve unity on the Board after the Quaker manner.

Appointments to the Board are for a period of four years, and there is an option to appoint for a second tenure period.

#### **Committees**

There are two Committees reporting to the Board - an Education Committee, which covers all areas identified in our curriculum policy, along with safeguarding, and a Resources Committee that has finance, marketing,

## **Breckenbrough School Limited**

### **Report of the Trustees for the Year Ended 31 August 2023**

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personnel and premises within its remit. Individual Governors take specific responsibilities for Health and Safety, Child Protection, Careers, Teaching and Learning, SEN and Residential and this year we are introducing a new link for governors to oversee Quality of Life. There is also a Strategy and Development Committee (made up of the full Board Chair, the Education Chair, the Resources Chair and members of the school Senior Leadership Team). All committees meet at least three times a year, following the same cycle each term leading up to the Full Governing Board meeting.

#### **Related parties**

Some members of the governors/trustees also serve on the Board of the Charity, known as Beyond Breckenbrough, whose activities include assistance with transition from the school along with the provision of financial and other assistance to old boys of Breckenbrough School, directly or otherwise.

During the year the charity paid £8,303 (2022: £7,548) as part of a combined policy which includes Trustee Indemnity Insurance.

#### **Key management personnel remuneration**

The trustees consider the board of trustees, Headteacher and the Senior Leadership Team as comprising the key management personnel of the charity, in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 9 to the accounts.

Trustees and key personnel are required to disclose all relevant interests and register them with the Bursar and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises. Neither the Trust nor any of the trustees have interests with other independent special schools but any such interests would be disclosed.

The pay of the Headteacher is reviewed annually and normally increased in accordance with average sector earnings. In view of the nature of the charity, the remuneration is bench-marked with similar establishments of a similar size and activity to ensure that the remuneration set is fair, and not out of line with that generally paid for similar roles.

#### **Pay policy for senior staff**

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the directors benchmark against pay levels in other special schools of a similar size run on a charitable basis. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 30% for any additional responsibilities.

#### **Reserves policy**

Wherever possible the Trustees try to build resilience within the balance sheet and the charity's aims are to increase reserves wherever possible to manage increases to salaries and pensions that are outside of the school's control.

The level of total funds at the year-end were £4,105,678 (2022: £3,739,607). The Trustees report that the level of unrestricted reserves less unrestricted fixed assets and investments as detailed in note 18, has decreased from £1,756,158 in 2022 to £1,362,156 on 31 August 2023.

The Charity still aims to increase cash reserves through prudent management of overall expenditure, to enable a free cash reserve fund to be available to add to the stability of the School. The target level of reserves is based on 6 months of operating expenditure, which is approximately £2,000,000.

## **Breckenbrough School Limited**

### **Report of the Trustees for the Year Ended 31 August 2023**

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In assessing the ability of the school to continue as a going concern the Trustees are mindful of the future commitments and cash is monitored day to day and longer term. The Trustees are of the view that the charity is a going concern.

#### **Principal risks and uncertainties**

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Governors examine the principal areas of the school's operations and the major risks faced in each area. All school policies and internal systems are appraised regularly and strengthened and risks are minimised by the implementation as necessary of revised policies and procedures for the management of all activities including the authorisation of all transactions, projects and procedures. Most of the existing policy documents have been reviewed recently including Child Protection, Safeguarding, Health and Safety, Fire Risk Assessment and Emergency Procedures. The school also reviews its activities to respond to the requirements set by OFSTED.

A relatively new business risk which the school has to manage is linked to which Local Authorities (LA) we work with and in turn provide a large proportion of the school's overall income. Until recently the school had a reasonably even spread of placements over about 20 LA's, but in the last two years one LA has provided with approximately 40% of the overall student placements. Although this provides the school with an ease of working relationship, it does mean a large proportion of our income is from one source. The management team meet with this LA termly to review their SEND strategy to ensure their decisions and future planning would not jeopardise the student numbers placed at Breckenbrough. This LA understands that the school has invested in infrastructure, staffing and new facilities to meet the needs of the students based on the current level of occupancy. The LA understand that they are pivotal in the ongoing budget planning of the school and have offered assurances that if their student numbers were to significantly change due to them creating their own provision they would work with us in managing the withdrawal of the students and financial impact this would create.

The Trustees are satisfied the major risks have been established and action taken to mitigate those risks.

#### **Fundraising**

The School co-ordinates low-level fund-raising activities for a range of local and national charities such as Children in Need, Red Nose Day, Save the Children etc. We also undertake fundraising to benefit the School as whole to support specific projects for new equipment for example. These are either led by the school or its employees. We are not registered with the fundraising regulator or with any professional fundraisers or commercial participators.

#### **Land and buildings**

The Trustees are of the opinion that the open market value of the land and buildings is materially in excess of book value. This can be evidenced by our most up to date valuation which was concluded in August 2023. Governors currently request that a valuation is undertaken every three years. This year's valuation purposefully was slightly delayed so it could include the new therapeutic building called The Hub. The same valuation is used to aid accurate insurance cover based on a rebuild value.

#### **Plans for the future**

The Strategy and Development group meet to consider plans to secure the longevity of the School's future.

Open thinking is encouraged so as all angles can be considered. Senior leaders are active in keeping abreast of changes to Department for Education thinking and published strategy on SEND to feed into our

## **Breckenbrough School Limited**

### **Report of the Trustees for the Year Ended 31 August 2023**

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considerations. Current discussions and investigations centre around sustainability and how we can maintain our standing in the sector, whilst larger commercial enterprises continue to grow with the likes of Cambian, Witherslack Group, and Priory either taking over smaller schools or developing additional provision. We must not be blinkered to these potential threats. The SEND Improvement plan has been published and senior leaders have attended sessions to understand the implications of the changes mentioned in this document and how these could potentially effect Breckenbrough and the wider SEN sector.

It is very evident that these current risks have been considered in the past by our trustees and that informed planning has stood the charity in good stead going forward. We need to remain focused and open to change.

#### **Funds held as custodian for others**

The company is the Custodian Trustee of the Breckenbrough School Charitable Trust and also the sole Trustee entrusted to manage the affairs of that charitable Trust which includes the permanent endowment property and investments as indicated in note 11 of these financial statements. The Company has included the freehold land and buildings and investments subject to permanent endowment within its balance sheet.

#### **Statement of trustees' responsibilities**

The trustees (who are also directors of Breckenbrough School Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

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

In so far as the trustees are 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 charitable company's website. Legislation in the United Kingdom governing the reparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006

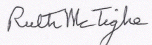
**Breckenbrough School Limited**

**Report of the Trustees  
for the Year Ended 31 August 2023**

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relating to small companies.

Approved by order of the board of trustees on ..... 24 May 2024  
2024 and signed on its behalf by:

DocuSigned by:  
  
1319471E484347E...

R McTighe

**Breckenbrough School Limited****Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited**

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**Opinion**

We have audited the financial statements of Breckenbrough School Limited for the year ended 31 August 2023 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flows 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 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 charitable company's state of affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

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

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

## **Breckenbrough School Limited**

### **Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited**

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misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report.

#### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

**Breckenbrough School Limited****Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited**

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

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

**Identifying and assessing risks related to irregularities:**

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, guidance issued by the Charity Commission for England and Wales and guidance issued by the Department for Education.

**Audit response to risks identified:**

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**Breckenbrough School Limited**


**Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited**

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

**Use of our report**

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

DocuSigned by:  
 28 May 2024  
4F568C43DB3B438.....

Sally Appleton BA (Hons) FCA (Senior Statutory Auditor)  
For and on behalf of

Saffery LLP  
Chartered Accountants  
Statutory Auditors  
Mitre House  
North Park Road  
Harrogate  
North Yorkshire  
HG1 5RX

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**Breckenbrough School Limited****Statement of Financial Activities  
(including income and expenditure account)  
for the year ended 31 August 2023**

		<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Endowment funds</b>	<b>2023 Total funds</b>	<b>2022 Total funds</b>
	Notes	£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and legacies	3	455	75,287	-	<b>75,742</b>	87,849
Charitable activities	4	4,100,203	780,126	-	<b>4,880,329</b>	4,735,849
Other trading activities		9,378	-	-	<b>9,378</b>	5,809
Investments		-	-	846	<b>846</b>	29
Other	5	<u>24,659</u>	<u>-</u>	<u>-</u>	<b><u>24,659</u></b>	<u>41,471</u>
<b>Total</b>		<b>4,134,695</b>	<b>855,413</b>	<b>846</b>	<b>4,990,954</b>	<b>4,871,007</b>
<b>Expenditure on:</b>						
<b>Raising funds</b>		645	-	-	<b>645</b>	2,299
<b>Charitable activities</b>	6	<u>3,768,965</u>	<u>855,413</u>	<u>-</u>	<b><u>4,624,378</u></b>	<u>4,175,361</u>
<b>Total</b>		<b>3,769,610</b>	<b>855,413</b>	<b>-</b>	<b>4,625,023</b>	<b>4,177,660</b>
<b>Net income</b>		<b>365,085</b>	<b>-</b>	<b>846</b>	<b>365,931</b>	<b>693,347</b>
Transfers between funds	17	846	-	(846)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gain on defined Benefit Scheme		140	-	-	140	54,363
<b>Net movements in funds</b>		<b>366,071</b>	<b>-</b>	<b>-</b>	<b>366,071</b>	<b>747,710</b>
<b>Reconciliation of funds:</b>						
<b>Total funds brought forward</b>		<b>3,586,528</b>	<b>20,000</b>	<b>133,079</b>	<b>3,739,607</b>	<b>2,991,897</b>
<b>Total funds carried forward</b>		<b><u>3,952,599</u></b>	<b><u>20,000</u></b>	<b><u>133,079</u></b>	<b><u>4,105,678</u></b>	<b><u>3,739,607</u></b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes form part of these financial statements.

**Breckenbrough School Limited****Balance Sheet  
as at 31 August 2023**

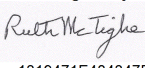
	Notes	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	11	2,674,814	1,914,944
Investments	12	48,708	48,505
		<u>2,723,522</u>	<u>1,963,449</u>
<b>Current assets</b>			
Stocks		5,125	6,946
Debtors	13	1,003,005	129,470
Cash at bank and in hand		2,027,659	2,203,311
		<u>3,035,789</u>	<u>2,339,727</u>
<b>Creditors</b>			
Amounts falling due within one year	14	(1,649,879)	(550,137)
		<u>1,385,910</u>	<u>1,789,590</u>
<b>Net current assets</b>			
		<u>4,109,432</u>	<u>3,753,039</u>
<b>Total assets less current liabilities</b>			
<b>Creditors</b>			
Amounts falling due after more than one year	15	(3,754)	(13,432)
		<u>4,105,678</u>	<u>3,739,607</u>
<b>Net assets</b>			
<b>Funds</b>			
Unrestricted funds – general	17	3,442,599	2,864,528
Unrestricted funds – designated		510,000	722,000
Restricted funds		20,000	20,000
Endowment funds		133,079	133,079
		<u>4,105,678</u>	<u>3,739,607</u>

The notes form part of these financial statements

The trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

24 May 2024

The financial statements were approved by the Board of Trustees on ..... and were signed on its behalf by:

DocuSigned by:  
  
 1319471E484347E...

R McTighe  
 Trustee

Registered company number 06223076

**Breckenbrough School Limited****Statement of cash flows  
for the year ended 31 August 2023**

	Notes	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	779,217	1,376,522
<b>Cash flows from investing activities</b>			
Interest from investments		846	29
Purchases of property, plant and equipment		(955,512)	(786,360)
		<u>(954,666)</u>	<u>(786,331)</u>
<b>Cash flows from financing activities</b>			
Repayments of borrowing		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(175,449)</b>	590,191
Cash and cash equivalents at the beginning of the reporting period		<u>2,251,816</u>	<u>1,661,625</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	20	<u>2,076,367</u>	<u>2,251,816</u>

**Analysis of changes in net debt**

	At 1 Sept 2022 £	Cash flows £	At 31 Aug 2023 £
Cash	2,251,816	(175,449)	2,076,367
	<u>2,251,816</u>	<u>(175,449)</u>	<u>2,076,367</u>
Total	<u>2,251,816</u>	<u>(175,449)</u>	<u>2,076,367</u>

The notes form part of these financial statements

**Breckenbrough School Limited****Notes to the financial statements (continued)  
for the year ended 31 August 2023**

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**1. Accounting policies****Accounting convention**

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Breckenbrough School Limited meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**Going concern**

In assessing the ability of the school to continue as a going concern the Trustees are mindful of the future commitments and cash is monitored day to day and longer term. The Trustees are of the view that the company is a going concern.

**Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably and are stated gross within the Statement of Financial Activities.

Fees receivable consists of charges levied for the provision of services for the year to 31 August 2023 in accordance with the Trust Deed.

Grants are recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Where the donor has imposed restrictions then the grant is treated as a restricted fund. Grants which are repayable if not utilised within a specific period are deferred until expended.

Legacies are recognised when the entitlement to the legacy is known with certainty, the value of the legacy receipt can be quantified with reasonable certainty and the timing of the receipt is known with reasonable probability.

Incoming resources from endowment funds are unrestricted income.

**Resources expended**

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

Irrecoverable VAT is included in the SOFA in the cost of the expenditure incurred.

**Breckenbrough School Limited****Notes to the financial statements (continued)  
for the year ended 31 August 2023**

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**1. Accounting policies (continued)**

Costs of generating funds comprise the costs associated with attracting pupils, in order to generate income.

Education and training comprise the costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting with the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis, e.g. estimated usage.

**Tangible fixed assets**

Fixed assets are stated at historical cost.

No depreciation is provided on freehold land.

Depreciation is provided on all other tangible fixed assets at rates calculated to write each assets down to its estimated residual value over its expected useful life, as follows:-

Freehold properties	2% - Straight line
Equipment, fixtures and fittings	20% - Reducing balance (except boilers 4% straight line)
Computer equipment	33.3% - Straight line
Motor vehicles	25% - Reducing balance

Leased assets are depreciated on a straight line basis over the period of the lease.

Donated assets are capitalised at estimated cost.

**Stocks**

Stocks are valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Financial instruments**

The charity 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 measure at their settlement value with the exception of bank loans which are subsequently measured at amortised costs using the effective interest method.

**Breckenbrough School Limited****Notes to the financial statements (continued)  
for the year ended 31 August 2023**

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**1. Accounting policies (continued)****Fund accounting**

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

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

Endowment funds are restricted funds that represent a donation to the Charity with specific criteria that the Charity must follow.

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

**Hire purchase and leasing commitments**

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

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

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

The Charity contributes to the Teachers' Pension Defined Benefits 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.

In respect of non-teaching staff, the school contributes to a defined benefit scheme administered by the Pension Trust. 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.

Contributions to both schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

**Teaching costs**

Supplies of games equipment, books, stationery and sundry materials are written off to the general fund account when the expenditure is incurred.

## Breckenbrough School Limited

Notes to the financial statements (continued)  
for the year ended 31 August 2023

## 2. Comparative SOFA

	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2022
	£	£	£	£
Donations and legacies	1,117	86,732	-	87,849
Charitable activities	3,938,176	797,673	-	4,735,849
Other trading activities	5,809	-	-	5,809
Investments	-	-	29	29
Other	41,471	-	-	41,471
Total	<u>3,986,573</u>	<u>884,405</u>	<u>29</u>	<u>4,871,007</u>
Raising funds	2,299	-	-	2,299
Charitable activities	3,273,033	902,328	-	4,175,361
Total	<u>3,275,332</u>	<u>902,328</u>	<u>-</u>	<u>4,177,660</u>
<b>Net income</b>	<b><u>711,241</u></b>	<b><u>(17,923)</u></b>	<b><u>29</u></b>	<b><u>693,347</u></b>

## 3. Income from donations and legacies

	Unrestricted funds	Restricted funds	Endowment funds	2023	2022
	£	£	£	£	£
Donations	455	-	-	455	21,117
Grants	-	75,287	-	75,287	66,732
	<u>455</u>	<u>75,287</u>	<u>-</u>	<u>75,742</u>	<u>87,849</u>

## 4. Income from charitable activities

	Unrestricted funds	Restricted funds	Endowment funds	2023	2022
	£	£	£	£	£
Fees	4,006,461	-	-	4,006,461	3,873,120
Recharges for other costs	93,742	-	-	93,742	65,056
ESFA	-	780,126	-	780,126	797,673
	<u>4,100,203</u>	<u>780,126</u>	<u>-</u>	<u>4,880,329</u>	<u>4,735,849</u>

**Breckenbrough School Limited****Notes to the financial statements (continued)  
for the year ended 31 August 2023****5. Income from other activities**

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 £	2022 £
RHI and FIT income	14,194	-	-	14,194	31,000
School Trips	3,875	-	-	3,875	3,978
Computing and cycle to work scheme	5,746	-	-	5,746	5,730
Other	844	-	-	844	763
	<u>24,659</u>	<u>-</u>	<u>-</u>	<u>24,659</u>	<u>41,471</u>

**6. Expenditure on charitable activities**

	Direct costs £	Support costs £	2023 £	2022 £
School	3,402,706	753,343	4,156,049	3,730,581
Welfare	35,478	-	35,478	28,398
Premises	432,851	-	432,851	416,382
	<u>3,871,035</u>	<u>753,343</u>	<u>4,624,378</u>	<u>4,175,361</u>

**7. Support costs**

	Management £	Finance £	Information technology £	Human resources £	Totals £
School	631,454	14,795	89,413	17,681	<b>753,343</b>

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

	2023 £	2022 £
Wages	<b>341,242</b>	279,790
Social security	<b>33,253</b>	26,905
Pensions	<b>29,839</b>	2,412
Hire of plant and machinery	<b>30,742</b>	52,420
Insurance	<b>86,489</b>	74,981
Postage and stationery	<b>42,428</b>	32,134
Travelling and motor	<b>51,897</b>	45,094
Professional fees	<b>9,953</b>	40,215
Bank charges	<b>1,784</b>	2,205
Computer licences and IT	<b>89,413</b>	87,467
Recruitment	<b>17,681</b>	8,571
Governance	<b>18,622</b>	25,591
	<u><b>753,343</b></u>	<u>677,785</u>

**Breckenbrough School Limited****Notes to the financial statements (continued)  
for the year ended 31 August 2023****8. Net incoming resources**

Net resources are stated after charging:

	<b>2023</b>	2022
	£	£
Governors' travel	<b>1,041</b>	2,187
Auditors' remuneration	<b>19,750</b>	18,836
Auditors' remuneration for non audit work	<b>1,800</b>	4,355
Auditors' remuneration for VAT advisory	-	2,400
Depreciation - owned assets	<b>195,642</b>	147,713
Hire of plant and machinery	<b>30,741</b>	52,420
Loss on disposal of fixed assets	-	26
	<b><u>248,974</u></b>	<u>227,937</u>

**9. Trustees' remuneration and benefits**

The charity trustees were not paid or received any other benefits from employment with the Charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

**Trustees' expenses**

The trustees were not reimbursed for expenses during the year (2022:£nil).

**10. Staff costs and the cost of key management personnel**

	<b>2023</b>	2022
	£	£
Wages and salaries	<b>2,835,413</b>	2,515,372
Social security costs	<b>286,736</b>	252,589
Other pension costs	<b>380,860</b>	330,127
	<b><u>3,503,009</u></b>	<u>3,098,088</u>
Supply staff costs	<b>64,451</b>	41,865
	<b><u>3,567,460</u></b>	<u>3,139,953</u>

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

	<b>2023</b>	2022
Teaching	49	42
Domestic	10	6
Care	12	15
Administration	12	8
Counselling	1	1
	<b><u>84</u></b>	<u>72</u>

**Breckenbrough School Limited****Notes to the financial statements (continued)  
for the year ended 31 August 2023**

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**10. Staff costs and the cost of key management personnel (continued)**

The number of employees included in the above whose emoluments, excluding pension contributions, exceeded £60,000 were as follows:-

	<b>2023</b>	<b>2022</b>
£60,000 to £70,000	3	2
£70,001 to £80,000	-	-
£80,001 to £90,000	-	-
£90,001 to £100,000	-	1
Over £100,001	<u>1</u>	<u>-</u>

Pension contributions paid into a defined benefit scheme for the four members (2022: three members) of staff earning over £60,000 were £48,103 (2022: £40,383).

The key management personnel of the charity comprise the board of trustees, Headmaster and the senior leadership team. The total employee benefits of the key management personnel of the Trust were £343,613 (2022: £324,477).

**Breckenbrough School Limited****Notes to the financial statements (continued)  
for the year ended 31 August 2023****11. Tangible fixed assets**

	<b>Land and buildings</b>	<b>Plant and machinery etc</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 September 2022	1,691,957	1,228,054	2,920,011
Additions	774,833	180,679	955,512
Disposals	-	-	-
Transfers	-	-	-
	<u>2,466,790</u>	<u>1,408,733</u>	<u>3,875,523</u>
At 31 August 2023			
<b>Depreciation</b>			
At 1 September 2022	314,804	690,263	1,005,067
Charge for year	45,324	150,318	195,642
Disposals	-	-	-
Transfers	-	-	-
	<u>360,128</u>	<u>840,581</u>	<u>1,200,709</u>
At 31 August 2023			
<b>Net book value</b>			
At 31 August 2023	<u><u>2,106,662</u></u>	<u><u>568,152</u></u>	<u><u>2,674,814</u></u>
At 31 August 2022	<u><u>1,377,153</u></u>	<u><u>537,791</u></u>	<u><u>1,914,944</u></u>

Included in cost or valuation of land and buildings is freehold land of £500 (2022 - £500)

The Company is the Custodian Trustee of the Breckenbrough School Charitable Trust and also the sole Trustee entrusted to manage the affairs of that Charitable Trust which includes the permanent endowment property and investments as indicated in note 17 of these financial statements. Financial Reporting Statement 102 requires that the substance of an entity's transactions is reported in its financial statements.

This requires that the commercial effect of a transaction and any resulting assets, liabilities, or gains and losses are shown and that the accounts do not merely report the legal form of a transaction. Following this, the Company has included the freehold land and buildings, and investments subject to permanent endowment, within its Balance Sheet.

All fixed assets are held for continuing use in the Charity's activities.

The freehold land and buildings were professionally valued on 30 August 2023 on an open market basis at £2,900,000 by Barry Crux & Company Limited, Chartered Surveyors.

**Breckenbrough School Limited****Notes to the financial statements (continued)  
for the year ended 31 August 2023****12. Fixed asset investments**

By the Trust Deed, the investments are not subject to the limitations of the Trustee Investments Act. The investments represent a bank deposit account within the Endowed Funds (see notes 17 and 18).

**13. Debtors: amounts falling due within one year**

	<b>2023</b>	2022
	£	£
Trade debtors	<b>803,558</b>	1,217
Other debtors	<b><u>199,447</u></b>	<u>128,253</u>
	<b><u>1,003,005</u></b>	<u>129,470</u>

In 2022 the Autumn term invoices were raised post year-end and were therefore not included in trade debtors. In 2023, the Autumn term invoices were raised pre year-end, and therefore are included in trade debtors.

**14. Creditors: amounts falling due within one year**

	<b>2023</b>	2022
	£	£
Trade creditors	<b>37,058</b>	58,146
Taxation and social security	<b>71,506</b>	60,524
Other creditors	<b>1,530,965</b>	421,117
Pension scheme liability	<b><u>10,350</u></b>	<u>10,350</u>
	<b><u>1,649,879</u></b>	<u>550,137</u>

## Other creditors comprised:

	<b>2023</b>	2022
	£	£
Fees in advance	<b>1,427,035</b>	65,672
Pension scheme contributions	<b>46,468</b>	42,374
Accruals	<b>55,523</b>	307,793
Other creditors	<b><u>1,939</u></b>	<u>5,278</u>
	<b><u>1,530,965</u></b>	<u>421,117</u>

**Breckenbrough School Limited****Notes to the financial statements (continued)  
for the year ended 31 August 2023****15. Creditors: Amounts falling due after more than one year**

	<b>2023</b>	2022
	<b>£</b>	£
Pension	<b>3,754</b>	13,432
	<b><u>3,754</u></b>	<u>13,432</u>

**16. Operating lease commitments**

At 31 August 2023 the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>2023</b>	2022
	<b>£</b>	£
Within one year	<b>34,664</b>	41,243
Between one and five years	<b><u>23,904</u></b>	<u>45,310</u>
	<b><u>58,568</u></b>	<u>86,553</u>

**17. Movement in funds**

	At 1.9.22	Incoming resources	Resources expended	Gains, losses and transfers	At 31.8.23
	£	£	£	£	£
<b>Unrestricted funds</b>					
General fund	2,781,258	4,134,695	(3,314,340)	(159,014)	3,442,599
Designated fund	722,000	-	(372,000)	160,000	510,000
Capital grant	83,270	-	(83,270)	-	-
	<u>3,586,528</u>	<u>4,134,695</u>	<u>(3,769,610)</u>	<u>986</u>	<u>3,952,599</u>
<b>Restricted funds</b>					
DFC Grant	-	75,287	(75,287)	-	-
Equipment fund	20,000	-	-	-	20,000
ESFA funding	-	780,126	(780,126)	-	-
	<u>20,000</u>	<u>855,413</u>	<u>(855,413)</u>	<u>-</u>	<u>20,000</u>
<b>Endowed funds</b>					
Foundation capital	84,579	-	-	-	84,579
Lone House capital	48,500	846	-	(846)	48,500
	<u>133,079</u>	<u>846</u>	<u>-</u>	<u>(846)</u>	<u>133,079</u>
<b>Total funds</b>	<b><u>3,739,607</u></b>	<b><u>4,990,954</u></b>	<b><u>(4,625,023)</u></b>	<b><u>140</u></b>	<b><u>4,105,678</u></b>

**Breckenbrough School Limited****Notes to the financial statements (continued)  
for the year ended 31 August 2023****17. Movement in funds (continued)****Comparative Movement in funds**

	At 1.9.21	Incoming resources	Resources expended	Gains, losses and transfers	At 31.8.22
	£	£	£	£	£
<b>Unrestricted funds</b>					
General fund	1,837,625	3,986,573	(3,275,332)	232,392	2,781,258
Designated fund	900,000	-	-	(178,000)	722,000
Capital grant	83,270	-	-	-	83,270
	<u>2,820,895</u>	<u>3,986,573</u>	<u>(3,275,332)</u>	<u>54,392</u>	<u>3,586,528</u>
<b>Restricted funds</b>					
DFC Grant	9,620	66,732	(76,352)	-	-
Equipment fund	-	20,000	-	-	20,000
ESFA funding	28,303	797,673	(825,976)	-	-
	<u>37,923</u>	<u>884,405</u>	<u>(902,328)</u>	<u>-</u>	<u>20,000</u>
<b>Endowed funds</b>					
Foundation capital	84,579	-	-	-	84,579
Lone House capital	48,500	29	-	(29)	48,500
	<u>133,079</u>	<u>29</u>	<u>-</u>	<u>(29)</u>	<u>133,079</u>
<b>Total funds</b>	<u><b>2,991,897</b></u>	<u><b>4,871,007</b></u>	<u><b>(4,177,660)</b></u>	<u><b>54,363</b></u>	<u><b>3,739,607</b></u>

**Capital grant - unrestricted**

This is a designated fund which represents a capital grant which was received from the Department for Education and Skills and may be repayable in the event of the closure of the School. This was fully utilised during the year.

**DFC Grant**

The DFC grant is amounts received for capital funding to be used for improvements to buildings and other facilities, including ICT, or capital repairs and refurbishment. This was fully utilised during the year.

**Equipment fund**

The equipment fund includes a donation of £20,000 to be used on equipment that will benefit pupils now and in the future.

**ESFA funding**

These monies were received from the Education and Skills Funding Agency for the education and support activities of the school and were fully utilised in the year.

**Endowed funds**

The Foundation capital represents the original endowment to provide for the establishment of the Charity. The Lone House capital represents the replacement under a recoupment order of sums expended following the sale of the property known as Lone House. The amount outstanding at the year end under the order amounted to £48,500, which represents the original value. The investment generated £846 of interest during the year which has been transferred to unrestricted funds.

**Breckenbrough School Limited****Notes to the financial statements (continued)  
for the year ended 31 August 2023****17. Movement in funds (continued)****Designated funds**

Designated funds at 31 August 2023 comprise of:

£170,000 for the Skutterskelfe project.

£340,000 for works to the fabric of the school of which £160k was transferred in during the year from the general fund.

**18. Analysis of net assets between funds**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2023 Total funds £</b>
Fixed assets	2,590,235	-	84,579	<b>2,674,814</b>
Investments	208	-	48,500	<b>48,708</b>
Current assets	3,015,789	20,000	-	<b>3,035,789</b>
Current liabilities	(1,649,879)	-	-	<b>(1,649,879)</b>
Long term liabilities	(3,754)	-	-	<b>(3,754)</b>
	<u>3,952,599</u>	<u>20,000</u>	<u>133,079</u>	<u>4,105,678</u>

**Prior year analysis of net assets between funds**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2022 Total funds £</b>
Fixed assets	1,830,365	-	84,579	1,914,944
Investments	5	-	48,500	48,505
Current assets	2,319,727	20,000	-	2,339,727
Current liabilities	(550,137)	-	-	(550,137)
Long term liabilities	(13,432)	-	-	(13,432)
	<u>3,586,528</u>	<u>20,000</u>	<u>133,079</u>	<u>3,739,607</u>

**Breckenbrough School Limited****Notes to the financial statements (continued)  
for the year ended 31 August 2023****19. Reconciliation of net income to net cash flow from operating activities**

	<b>2023</b>	2022
	<b>£</b>	£
Net income for the reporting period	<b>366,071</b>	747,710
Adjusted for:		
Depreciation	<b>195,642</b>	147,714
Loss on disposal of fixed assets	-	26
Investment income	<b>(846)</b>	(29)
(Increase)/decrease in stocks	<b>1,820</b>	(5,002)
Decrease/(increase) in debtors	<b>(873,534)</b>	1,532,054
(Decrease)/Increase in creditors	<b>1,099,743</b>	(971,707)
Pension scheme non-cash movement	<b>(9,679)</b>	(74,244)
	<b><u>779,217</u></b>	<b><u>1,376,522</u></b>

**20. Analysis of cash and cash equivalents**

	<b>2023</b>	2022
	<b>£</b>	£
Cash in hand	<b>2,027,659</b>	2,203,311
Cash held as investment	<b>48,708</b>	48,505
	<b><u>2,076,367</u></b>	<b><u>2,251,816</u></b>

**21. Pension commitments****Teachers' Pension Scheme****Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in schools and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

**Breckenbrough School Limited****Notes to the financial statements (continued)  
for the year ended 31 August 2023**

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**21. Pension commitments (continued)**

The employer's pension costs paid to TPS in the period amounted to £323,255 (2022: £303,059). At the year end £36,152 (2022: £34,349) was due to the scheme. No amounts were prepaid at either year end.

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

**The Pensions Trust**

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme.

Therefore it accounts for the scheme 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 company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

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:

**Deficit contributions**

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From 1 April 2022 to 31 January 2025:	£3,312,000 per annum	(payable monthly)
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Unless a concession has been agreed with the Trustee the term to 31 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:

**Deficit contributions**

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From 1 April 2019 to 30 September 2025:	£11,243,000 per annum	(payable monthly and increasing by 3% each on 1st April)
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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.

**Breckenbrough School Limited****Notes to the financial statements (continued)  
for the year ended 31 August 2023****21. Pension commitments (continued)**

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.

**Present value of provisions**

	Period Ending 31 August 2023 (£s)	Period Ending 31 August 2022 (£s)	Period Ending 31 August 2021 (£s)
Present value of provision	14,104	23,782	98,026

**Reconciliation of opening and closing provisions**

	Period Ending 31 August 2023 (£s)	Period Ending 31 August 2022 (£s)
Provision at start of period	23,782	98,026
Unwinding of the discount factor (interest expense)	812	553
Deficit contribution paid	(10,350)	(20,434)
Remeasurements - impact of any change in assumptions	(140)	(1,048)
Remeasurements - amendments to the contribution schedule	-	(53,315)
Provision at end of period	14,104	23,782

**Income and expenditure impact**

	Period Ending 31 August 2023 (£s)	Period Ending 31 August 2022 (£s)
Interest expense	812	533
Remeasurements – impact of any change in assumptions	(140)	(1,048)
Remeasurements – amendments to the contribution schedule	-	(53,315)

\*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

**Breckenbrough School Limited****Notes to the financial statements (continued)  
for the year ended 31 August 2023**

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**21. Pension commitments (continued)****Assumptions**

	31 August 2023 % per annum	31 August 2022 % per annum	31 August 2021 % per annum
Rate of discount	6.04	4.46	0.63

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.

The assumptions are supplied by the external Actuaries.

**22. Capital commitments**

At 31 August 2023 £nil (2022: £740,449) capital expenditure had been contracted for in relation to the construction of The Hub. At 31 August 2023 there was £nil capital expenditure that had been approved but not yet contracted for (2022: £nil).

**23. Related party disclosures**

Some members of the governors/trustees also serve on the Board of the Charity, known as Beyond Breckenbrough, whose activities include assistance with transition from the school along with the provision of financial and other assistance to old boys of Breckenbrough School, directly or otherwise. During the year salaries and insurance costs of £19,657 (2022: £7,031) were recharged to Beyond Breckenbrough. At the year end the school was owed £19,657 (2022: £7,031) by Beyond Breckenbrough.

There were no other related party transactions during the current or preceding year.

**24. Ultimate controlling party**

Due to the diverse nature of the membership of the company, no one member has control over the company.

**25. Limited by Guarantee**

The company is limited by guarantee so has no share capital. The members have guaranteed to provide an amount of £1 in the event of the winding up of the company.

**BRECKENBROUGH SCHOOL LIMITED**

England & Wales - Charity number 1122269

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# Accounts

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**Registered Company Number: 06223076 (England and Wales)**  
**Registered Charity Number: 1122269**

**Breckenbrough School Limited**

**Report of the Trustees and Financial Statements  
for the Year Ended 31 August 2022**

**Breckenbrough School Limited**

**Contents of the Financial Statements  
for the Year Ended 31 August 2022**

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Statement of cash flows	16
Notes to the Financial Statements	17 - 32

## Breckenbrough School Limited

### Report of the Trustees for the Year Ended 31 August 2022

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The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2022.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### Reference and administrative details

**Registered Company number** 06223076 (England and Wales)

**Registered Charity number** 1122269

**Registered office** Sandhutton  
Breckenbrough  
Thirsk  
YO7 4EN

#### Trustees

Ruth McTighe Chair from 10.03.2023  
Stefan Lewicki

John Littlefair  
John Margham  
Digby Swift  
Alison Clarke

Chair, resigned 10.03.2023

#### Key Management Personnel

Headmaster	Simon Bannister
Deputy Headmaster	James Shutt
Head of Social Education	Stuart Edwards
Bursar	Sue Jones

#### Auditors

Saffery Champness LLP  
Mitre House  
North Park Road  
Harrogate  
North Yorkshire  
HG1 5RX

#### Solicitors

North Yorkshire County Council  
County Hall  
Northallerton  
DL7 8AD

**Breckenbrough School Limited**

**Report of the Trustees  
for the Year Ended 31 August 2022**

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**Reference and administrative details (continued)**

<b>Bankers</b>	Barclays Bank plc 25 St James Street Harrogate HG1 1ZT
<b>Insurers</b>	Innovation Broking 20 St Dunstons Hill London ED3R 8HL
<b>Co-opted Members</b>	Richard Clarke Sally Burton
<b>Staff Representative Governors</b>	Aisling Hyland Appointed 17.06.2022
<b>Governor Appointed by North Yorkshire County Council</b>	Alyson Baker Appointed 01.05.2022 Resigned 30.04.2023 David Webster Appointed 01.05.2022 Resigned 30.04.2023
<b>Parent Governors</b>	Carl Wright Daniel Hunter

***Our vision is always to put the individual needs of the students first.***

**Aims, Objectives and Activities**

**Aims**

Breckenbrough School provides education and care for boys from 9 to 19 years of age. Each student at the school has an Education Health and Care Plan (formerly a Statement of Special Educational Needs) created by his funding Local Authority that identifies him as having complex needs such as Autism. Authorities from many parts of the UK place students at Breckenbrough.

**Objectives**

We review our aspirations and school improvement objectives along with the outcomes of the immense amounts of work done by staff. The Governors focus on the overall school improvement objectives. In individual cases, staff adapt education and care plans for students so that the school always responds as appropriately as it can to a student's specific needs. Done with care, this helps each student to improve on his own "previous best" performances in a range of subjects and social skills and to learn to take increasing responsibility for his own learning and development.

The school works as a "one team" approach. By integrating academic and social education with support mechanisms to meet specific individual needs, each element plays a vital role in providing a framework for helping the students to achieve their potential.

**Activities**

Like our students, Breckenbrough is unique; offering a bespoke, special school approach in the delivery of our holistic curriculum. We pride ourselves in being a 'specialist' school, providing a nurturing, supportive and low stress environment to help our students learn to manage their anxiety levels and specific needs to make holistic progress towards their individual outcomes.

Our vision is to improve the Quality of Life for all our students in becoming healthy, happy and successful adults.

In order to improve the Quality of our Student's lives, we aim to support our students to achieve two key goals during their time here:

1. To be themselves, aspire and be successful.
2. To develop strategies and coping mechanisms to move towards a level of self-actualisation in order to thrive in the neurotypical world.

Following the model of Maslow's Hierarchy of Need, every student arrives at Breckenbrough seeking a safe, nurturing environment where they can be accepted and learn. Due to their adverse experiences in prior settings, our first goal is to reduce anxiety levels and for every student to feel safe and secure in the school environment. It is unreasonable to expect any progress until this has been achieved, especially with their academic studies. Every student progresses through the school seeking to achieve what Maslow terms as self-actualisation, which is essential in achieving the second key goal. As a student progresses upwards through the levels of Maslow, there is a parallel increase in engagement, learning and progress. In order to achieve this, high staff to student ratios are required with class sizes of no more than five students.

Our students are well supported by our experienced and committed team. Each student works alongside a core group of professionals, which includes a keyworker, whose responsibility is to ensure that the students' needs are met, their development is planned and monitored and their outcomes are celebrated and

**Report of the Trustees  
for the Year Ended 31 August 2022**

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communicated with parents and professionals. The keyworker is crucial in providing the link between the student in school and the student's home life and family. In addition, we have a therapeutic team on site which includes a full-time psychologist, an Occupational Therapist and a Speech and Language Therapist. The coordination of work between the school team, our families and any external professionals is crucial in supporting the students in working towards achieving the two key goals during their time at Breckenbrough.

Part of Breckenbrough School's curriculum provides education to GCSE and A level standard. Some of the education provision is offered through third party providers with our staff in support, which helps in the transition to independent living and higher education studies. The school also gives great attention to the boys' physical, mental and spiritual welfare and helps students to develop positive relationships with peers and adults. The After-care provision, through Beyond Breckenbrough (rarely found elsewhere), continues to provide practical assistance to old scholars as well as help with career guidance and further development of life skills.

The School had an average number of 69 (2021 – 68) boys on roll during the year.

**Public Benefit**

The Trustees have had due regard to guidance published by the Charities Commission on public benefit. The students' achievements are part of the benefit, in that we help to create and develop mature citizens. We regularly offer the school for summer school hire. We work with a company called Campus Holidays who offer free holidays to under privileged children and those from deprived backgrounds. This is a very successful opportunity for both the school and Campus and over 120 children to enjoy a holiday they would not normally have. Unfortunately, the pandemic has stopped this taking place in 2020/21 but it restarted in 2022.

**Achievements and Performance**

The school has a long record of successfully changing the lives and behaviour of its scholars. Before coming to the school, a boy will frequently have been the cause of deep concern to parents and educators alike, and in numerous cases has been a "hard to place" student. Parents frequently tell us of the change in attitude displayed by their son after arriving at Breckenbrough, within months or even weeks. These kinds of dramatic changes in attitude have continued during the period of this report.

Ofsted inspected and reported on our residential provision in January 2022 and found the quality of provision and outcomes for residential students to be good. 'Children make good progress in all areas of their development, and their self-belief and confidence improve significantly as a result of visiting this residential provision. Children thrive in an environment where they can be themselves. One child said, 'I can be who I am here, I'm not made to try and be like other children.' We were disappointed that we were downgraded from outstanding and have created a post OFSTED action plan that aims for us to be back outstanding at the next inspection in 2023.

The last academic inspection of the school took place in November 2021, in which our overall rating was judged to be requiring improvement. The school was judged to be good in the areas of Personal Development, Behaviour and Attitudes and Sixth Form provision. Quality of Education was deemed to require improvement and this directs the overall judgement regardless of other areas for inspection. As such, Leadership and Management was also judged to be requiring improvement. The inspection team were unable to accept that our curriculum model is holistic, and that the quality of education should take into account social progress and self-management alongside academic attainment. It was also a challenge for the inspection team to acknowledge the numerous barriers our students overcome in younger year groups to reach the stage where they are accessing the academic curriculum consistently in Key Stage 4 and 5. We were disappointed with the overall judgement and believe we provide an excellent standard of education from our students' relative starting points but have accepted the judgement and have already made strides forwards as a school. One such development is the introduction of a new curriculum pathway that takes a

**Report of the Trustees  
for the Year Ended 31 August 2022**

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structured and measurable approach in the delivery of our holistic outcomes within Key Stage 2 and 3. We are due our next Section 5 inspection by spring 2024, where we will need to have addressed the areas requiring improvement. An action plan is in place, and we are making excellent progress towards the objectives set out within this document.

Of the students who graduated from the school in summer 2022, all made the successful transition to higher education, further education or some form of vocational placement of employment. This is the fifth year in succession where students had 100% successful transitions.

The school continues to develop and diversify the curriculum in order to provide a platform for every student to achieve, irrespective of their starting point and identified career path.

**Financial Review**

Finance is always a major consideration of the Board. Financial performance is monitored and assessed carefully. This year has been a positive one financially as you will see from the pages to follow with our surplus being £747k (2021 £809k). Our income is almost entirely dependent on the number of students on roll and our student numbers have continued to increase, whilst we already had built in capacity within staffing numbers to allow these students to join us, so costs have not increased over budget.

Last year's bequest from a Friend in their last will and testament which amounted to £172k has been included in the funding for the construction mentioned below. The creation of a bespoke facility to house the equipment used in the performance of the Outdoor Education curriculum has been very well received and will enable us to work towards being nationally accredited under the Adventure Mark for the delivery of our outdoor educational program.

The Governors endorse several designations, the first being £200k for the completion of the construction of the Hub which after accounting for the funds spent in the year leaves a designated fund balance of £372k at 31 August 2022. This new facility will enable us to deliver our therapies in a conducive environment, so the students can benefit thoroughly from their sessions with Occupational and Speech and Language therapists. The construction of this new facility commenced in May 2022 at an overall cost of circa £1.1 million. The new building was completed and opened to students in April 2023. It is already showing to be a huge benefit for the students.

A further designation totalling £200k has been set aside to help fund an enhancement to our current provision which will be delivered on an alternative site, this added to last years designation means the fund totals £350k. We are well along with planning of this provision which has been brought to us by way of a benefactor, but we have already identified that we will need to equip the facility to ensure it is fit for purpose.

Our policy is to invest when we can in funds and investments on a basis approved by the Charity Commissioners and that remain ethical. We allow for regular strategic planning. Due to the nature of their needs, the number of students starting and leaving the school each year varies, often at irregular points throughout the year. Our plan to increase the number of students to about 70 has been achieved. The Marketing Officer continues to ensure that Local Authorities and potential parents and their support groups, are kept well aware of our existence and of the benefits we offer so that referrals can be communicated through parental preference. This can be evidenced as successful due to the length of the waiting list for new student places. We continue to resist requests from Local Authorities to reduce our fees, pointing out to them that we do not make annual fee increases on current placements. However, modest annual increases in fee levels are necessary, but these are now only applied once a year to new placements. We remain keen to give Local Authorities value for money and positive outcomes which means retaining practices that we know work for our students and thereby benefit their outcomes and in turn the placing Authorities. High staff-to-student ratios continue to be necessary for our provision to be successful and remain one of the

major differences between Breckenbrough and other schools.

In applying the requirement under FRS102, a liability has been recognised for the agreed future deficit payments on the pension scheme with Pensions Trust. The pension deficit recognised at the year end was £23,000 (2021: £98,000).

## **Structure, Governance and Management**

### **Legal status**

Breckenbrough School Limited was formed on 23 April 2007 and commenced trading on 1 September 2008. The School is a corporate registered charity (number 1122269). The Company is governed by its Memorandum and Articles of Association, as amended by special resolutions dated 21 November 2007 and 1 October 2008.

### **Recruitment and appointment of Governors**

Possible new Board members are approached informally, given information about the work of the Board, meet the Chair and Head Teacher to discuss their involvement, tour the school and, in most instances, attend Board or Committee meetings to learn about the business. Our practice is to issue newcomers with information regarding the charity's policies, constitution, meeting procedures, and an indication of their possible duties. Following appointment, new Governors receive an induction. During the year, the Board arranges regular in-house training sessions aimed at improving Governors' knowledge of the school and understanding of their roles. Where needed (e.g. in relation to Safeguarding, OFSTED inspection preparation) specific information and/or training sessions are 'bought in' or attended outside school.

### **Organisational structure**

In the year ended 31 August 2022 the Governing Body included six Trustees who were members of the Religious Society of Friends (Quakers) appointed by 'Quakers in Yorkshire', the body representing the Religious Society of Friends in the area. The Trustees served as Directors of the Company. The conduct of the School was under the direction of the Board in accordance with the purposes, character and ethos of the School as determined by the Trustees. There were six other members of the Board, two appointed by North Yorkshire County Council, two being parents of boys who are in the school identified by the Head in consultation with parents elected by the parents, and two co-opted by the Board. The North Yorkshire County Council appointed governors are currently vacant pending the completion of the local government re-organisation in North Yorkshire. In making decisions on all matters, successful efforts were made to achieve unity on the Board after the Quaker manner.

Appointments to the Board are for a period of four years, and there is an option to appoint for a second tenure period.

### **Committees**

There are two Committees reporting to the Board - an Education Committee and a Resources Committee that has finance, marketing, personnel and premises within its remit. Individual Governors take specific responsibilities for Health and Safety, Child Protection Careers, Teaching and Learning, SEN and Residential and this year we are introducing a new link governors to oversee Quality of Life. There is also a Strategy and Development Committee (made up of the full Board Chair, the Education Chair, the Resources Chair and members of the school Senior Leadership Team). All committees meet at least three times a year, following the same cycle each term leading up to the Full Governing Board meeting.

### **Related parties**

Some members of the governors/trustees also serve on the Board of the Charity, known as Beyond Breckenbrough, whose activities include assistance with transition from the school along with the provision

**Report of the Trustees  
for the Year Ended 31 August 2022**

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of financial and other assistance to old boys of Breckenbrough School, directly or otherwise.

During the year the charity paid £7,548 (2021: £7,063) as part of a combined policy which includes Trustee Indemnity Insurance.

**Key management personnel remuneration**

The trustees consider the board of trustees, Headteacher and the Senior Leadership Team as comprising the key management personnel of the charity, in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 9 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Bursar and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises. Neither the Trust nor any of the trustees have interests with other independent special schools but any such interests would be disclosed.

The pay of the Headteacher is reviewed annually and normally increased in accordance with average sector earnings. In view of the nature of the charity, the remuneration is bench-marked with similar establishments of a similar size and activity to ensure that the remuneration set is fair, and not out of line with that generally paid for similar roles.

**Pay policy for senior staff**

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the directors benchmark against pay levels in other special schools of a similar size run on a charitable basis. The remuneration bench-mark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 30% for any additional responsibilities.

**Reserves policy**

Wherever possible the Trustees try to build resilience within the balance sheet and the charity's aims are to increase reserves wherever possible to manage increases to salaries and pensions outside of the school's control.

The level of total funds at the year-end were £3,739,607 (2021: £2,991,897). The Trustees are pleased to report that the level of unrestricted reserves less unrestricted fixed assets and investments as detailed in note 18, has increased from £1,638,500 in 2021 to £1,756,158 at 31 August 2022. £722,000 of this balance in 2022 has been designated for future capital works leaving an unrestricted balance which is not designated of £1,034,158.

The Charity still aims to increase cash reserves through prudent management of overall expenditure, to enable a free cash reserve fund to be available to add to the stability of the School. The target level of reserves is based on 6 months of operating expenditure, which is approximately £1,500,000.

In assessing the ability of the school to continue as a going concern the Trustees are mindful of the future commitments and cash is monitored day to day and longer term. The Trustees are of the view that the charity is a going concern.

**Principal risks and uncertainties**

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

**Report of the Trustees  
for the Year Ended 31 August 2022**

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The Governors examine the principal areas of the School's operations and the major risks faced in each area. All school policies and internal systems are appraised regularly and strengthened and risks are minimised by the implementation as necessary of revised policies and procedures for the management of all activities including the authorisation of all transactions, projects and procedures. Most of the existing policy documents have been reviewed recently including Child Protection, Safeguarding, Health and Safety, Fire Risk Assessment and Emergency Procedures. The school also reviews its activities to respond to the requirements set by OFSTED. Recent OFSTED Inspections demonstrate the success of this approach.

A relatively new business risk which the school has to manage is linked to which Local Authorities (LA) we work with and in turn provide a large proportion of the schools' overall income. Until recently the school had a reasonably even spread of placements over about 20 LA's, but in the last two years one LA has provided LA's approximately 40% of the overall student placements. Although this provides the school with an ease of working relationship, it does mean a large proportion of our income is from one source. The management team meet with this LA termly to review their SEND strategy to ensure their decisions and future planning would not jeopardise the student numbers placed at Breckenbrough. This LA understands that the school has invested in infrastructure, staffing and new facilities to meet the needs of the students based on the current level of occupancy. The LA understands that they are pivotal in the ongoing budget planning of the school and have offered assurances that if their student numbers were to significantly change due to them creating their own provision they would work with us in managing the withdrawal of the students and the financial impact this would create.

The Trustees are satisfied the major risks have been established and action taken to mitigate those risks.

**Fundraising**

The School co-ordinates low-level fund-raising activities for a range of local and national charities such as Children in Need, Red Nose Day, etc. We also undertake fundraising to benefit the School as a whole to support specific projects for new equipment for example. These are either led by the School or its employees. We are not registered with the fundraising regulator or with any professional fundraisers or commercial participators.

**Land and buildings**

The Trustees are of the opinion that the open market value of the land and buildings is materially in excess of book value. This can be evidenced by our most up to date valuation which was concluded in March 2020. Governors currently request that a valuation is undertaken every three years. The 2023 valuation has been delayed for 6 months until the completion of the capital project.

**Plans for the future**

The Strategy and Development group meet to consider plans to secure the longevity of the School's future.

Open thinking is encouraged so as all angles can be considered. Senior leaders are active in keeping abreast of changes to Department for Education thinking and published strategy on SEND to feed into our considerations. Current discussions and investigations centre around sustainability and how we can maintain our standing in the sector, whilst larger commercial enterprises continue to grow with the likes of Cambian, Witherslack Group, and Priory either taking over smaller schools or developing additional provision. We must not be blinkered to these potential threats. The SEND Improvement plan has been published and senior leaders are attending sessions to understand the implications of the changes mentioned in this document and how these could potentially effect Breckenbrough and the wider SEN sector.

It is very evident that these current risks have been considered in the past by our trustees and that informed planning has stood the charity in good stead going forward. We need to remain focused and open to change.

## Breckenbrough School Limited

### Report of the Trustees for the Year Ended 31 August 2022

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#### Funds held as custodian for others

The company is the Custodian Trustee of the Breckenbrough School Charitable Trust and also the sole Trustee entrusted to manage the affairs of that charitable Trust which includes the permanent endowment property and investments as indicated in note 11 of these financial statements. The Company has included the freehold land and buildings and investments subject to permanent endowment within its balance sheet.

#### Statement of trustees' responsibilities

The trustees (who are also directors of Breckenbrough School Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

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

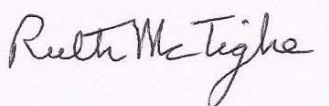
In so far as the trustees are aware:

- 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 charitable company's website. Legislation in the United Kingdom governing the reparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 26 June 2023 and signed on its behalf by:



R McTighe  
Trustee

## **Opinion**

We have audited the financial statements of Breckenbrough School Limited for the year ended 31 August 2022 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flows 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 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 charitable company's state of affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

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

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

## **Other information**

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

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

**Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited**

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misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report.

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, guidance issued by the Charity Commission for England and Wales and guidance issued by the Department for Education.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**Breckenbrough School Limited**

**Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited**

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

**Use of our report**

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

*Saffery Champness LLP*

Sally Appleton BA(Hons) FCA (Senior Statutory Auditor)  
For and on behalf of

Saffery Champness LLP  
Chartered Accountants  
Statutory Auditors  
Mitre House  
North Park Road  
Harrogate  
North Yorkshire  
HG1 5RX

28 June 2023

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**Breckenbrough School Limited**

**Statement of Financial Activities  
(including income and expenditure account)  
for the year ended 31 August 2022**

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
<b>Income and endowments from:</b>						
Donations and legacies	3	1,117	86,732	-	<b>87,849</b>	223,505
Charitable activities	4	3,938,176	797,673	-	<b>4,735,849</b>	4,608,342
Other trading activities		5,809	-	-	<b>5,809</b>	1,117
Investments		-	-	29	<b>29</b>	12
Other	5	<u>41,471</u>	<u>-</u>	<u>-</u>	<u><b>41,471</b></u>	<u>34,531</u>
<b>Total</b>		<b>3,986,573</b>	<b>884,405</b>	<b>29</b>	<b>4,871,007</b>	<b>4,867,507</b>
<b>Expenditure on:</b>						
<b>Raising funds</b>		2,299	-	-	<b>2,299</b>	-
<b>Charitable activities</b>	6	<u>3,273,033</u>	<u>902,328</u>	<u>-</u>	<u><b>4,175,361</b></u>	<u>4,058,292</u>
<b>Total</b>		<b>3,275,332</b>	<b>902,328</b>	<b>-</b>	<b>4,177,660</b>	<b>4,058,292</b>
<b>Net income/(expenditure)</b>		<b>711,241</b>	<b>(17,923)</b>	<b>29</b>	<b>693,347</b>	<b>809,215</b>
Transfers between funds	17	29	-	(29)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gain on defined Benefit Scheme		<u>54,363</u>	<u>-</u>	<u>-</u>	<u><b>54,363</b></u>	<u>132</u>
<b>Net movements in funds</b>		<b>765,633</b>	<b>(17,923)</b>	<b>-</b>	<b>747,710</b>	<b>809,347</b>
<b>Reconciliation of funds:</b>						
<b>Total funds brought forward</b>		<b>2,820,895</b>	<b>37,923</b>	<b>133,079</b>	<b>2,991,897</b>	<b>2,182,550</b>
<b>Total funds carried forward</b>		<u><b>3,586,528</b></u>	<u><b>20,000</b></u>	<u><b>133,079</b></u>	<u><b>3,739,607</b></u>	<u><b>2,991,897</b></u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes form part of these financial statements.

## Breckenbrough School Limited

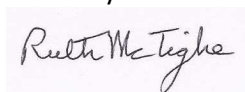
### Balance Sheet as at 31 August 2022

	Notes	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	11	<b>1,914,944</b>	1,276,324
Investments	12	<b>48,505</b>	48,770
		<b>1,963,449</b>	1,325,094
<b>Current assets</b>			
Stocks		<b>6,946</b>	1,944
Debtors	13	<b>129,470</b>	1,661,524
Cash at bank and in hand		<b>2,203,311</b>	1,612,855
		<b>2,339,727</b>	3,276,323
<b>Creditors</b>			
Amounts falling due within one year	14	<b>(550,137)</b>	(1,538,494)
<b>Net current assets</b>		<b>1,789,590</b>	1,737,829
<b>Total assets less current liabilities</b>		<b>3,753,039</b>	3,062,923
<b>Creditors</b>			
Amounts falling due after more than one year	15	<b>(13,432)</b>	(71,026)
<b>Net assets</b>		<b>3,739,607</b>	2,991,897
<b>Funds</b>	17		
Unrestricted funds – general		<b>2,864,528</b>	1,920,895
Unrestricted funds – designated		<b>722,000</b>	900,000
Restricted funds		<b>20,000</b>	37,923
Endowment funds		<b>133,079</b>	133,079
<b>Total funds</b>		<b>3,739,607</b>	2,991,897

The notes form part of these financial statements

The trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Board of Trustees on 26 June 2023 and were signed on its behalf by:



R McTighe  
Trustee

Registered company number 06223076

**Breckenbrough School Limited**

**Statement of cash flows  
for the year ended 31 August 2022**

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	<b>1,376,522</b>	405,695
<b>Cash flows from investing activities</b>			
Interest from investments		<b>29</b>	12
Purchases of property, plant and equipment		<b>(786,360)</b>	(178,215)
		<b>(786,331)</b>	(178,203)
<b>Cash flows from financing activities</b>			
Repayments of borrowing		-	-
		-	-
		-	-
<b>Change in cash and cash equivalents in the reporting period</b>		<b>590,191</b>	227,492
Cash and cash equivalents at the beginning of the reporting period		<b>1,661,625</b>	<b>1,434,133</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	20	<b>2,251,816</b>	1,661,625

**Analysis of changes in net debt**

	At 1 Sept 2021 £	Cash flows £	At 31 Aug 2022 £
Cash	1,661,625	590,121	2,251,816
	<b>1,661,625</b>	<b>590,121</b>	<b>2,251,816</b>
Total	<b>1,661,625</b>	<b>590,121</b>	<b>2,251,816</b>

The notes form part of these financial statements

**Notes to the financial statements (continued)  
for the year ended 31 August 2022**

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**1. Accounting policies**

**Accounting convention**

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Breckenbrough School Limited meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**Going concern**

In assessing the ability of the school to continue as a going concern the Trustees are mindful of the future commitments and cash is monitored day to day and longer term. The Trustees are of the view that the company is a going concern.

**Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably and are stated gross within the Statement of Financial Activities.

Fees receivable consists of charges levied for the provision of services for the year to 31 August 2022 in accordance with the Trust Deed.

Grants are recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Where the donor has imposed restrictions then the grant is treated as a restricted fund. Grants which are repayable if not utilised within a specific period are deferred until expended.

Legacies are recognised when the entitlement to the legacy is known with certainty, the value of the legacy receipt can be quantified with reasonable certainty and the timing of the receipt is known with reasonable probability.

Incoming resources from endowment funds are unrestricted income.

**Resources expended**

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

Irrecoverable VAT is included in the SOFA in the cost of the expenditure incurred.

**Notes to the financial statements (continued)  
for the year ended 31 August 2022**

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**1. Accounting policies (continued)**

Costs of generating funds comprise the costs associated with attracting pupils, in order to generate income.

Education and training comprise the costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting with the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis, e.g. estimated usage.

**Tangible fixed assets**

Fixed assets are stated at historical cost.

No depreciation is provided on freehold land.

Depreciation is provided on all other tangible fixed assets at rates calculated to write each assets down to its estimated residual value over its expected useful life, as follows:-

Freehold properties	2% - Straight line
Equipment, fixtures and fittings	20% - Reducing balance (except boilers 4% straight line)
Computer equipment	33.3% - Straight line
Motor vehicles	25% - Reducing balance

Leased assets are depreciated on a straight line basis over the period of the lease.

Donated assets are capitalised at estimated cost.

**Stocks**

Stocks are valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Financial instruments**

The charity 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 measure at their settlement value with the exception of bank loans which are subsequently measured at amortised costs using the effective interest method.

**1. Accounting policies (continued)**

**Fund accounting**

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

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

Endowment funds are restricted funds that represent a donation to the Charity with specific criteria that the Charity must follow.

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

**Hire purchase and leasing commitments**

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

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

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

The Charity contributes to the Teachers' Pension Defined Benefits 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.

In respect of non-teaching staff, the school contributes to a defined benefit scheme administered by the Pension Trust. 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.

Contributions to both schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

**Teaching costs**

Supplies of games equipment, books, stationery and sundry materials are written off to the general fund account when the expenditure is incurred.

Notes to the financial statements (continued)  
for the year ended 31 August 2022

## 2. Comparative SOFA

	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2021
	£	£	£	£
Donations and legacies	174,061	49,444	-	223,505
Charitable activities	3,775,160	833,182	-	4,608,342
Other trading activities	1,117	-	-	1,117
Investments	-	-	12	12
Other	34,531	-	-	34,531
Total	<u>3,984,869</u>	<u>882,626</u>	<u>12</u>	<u>4,867,507</u>
Raising funds	-	-	-	-
Charitable activities	3,203,969	854,323	-	4,058,292
Total	<u>3,203,969</u>	<u>854,323</u>	<u>-</u>	<u>4,058,292</u>
<b>Net income</b>	<b><u>780,900</u></b>	<b><u>28,303</u></b>	<b><u>12</u></b>	<b><u>809,215</u></b>

## 3. Income from donations and legacies

	Unrestricted funds	Restricted funds	Endowment funds	2022	2021
	£	£	£	£	£
Donations	1,117	20,000	-	21,117	9,070
Legacies	-	-	-	-	172,029
Grants	-	66,732	-	66,732	42,406
	<u>1,117</u>	<u>86,732</u>	<u>-</u>	<u>87,849</u>	<u>223,505</u>

## 4. Income from charitable activities

	Unrestricted funds	Restricted funds	Endowment funds	2022	2021
	£	£	£	£	£
Fees	3,873,120	-	-	3,873,120	3,661,171
Recharges for other costs	65,056	-	-	65,056	111,046
ESFA	-	797,673	-	797,673	833,182
Other income and grants	-	-	-	-	2,943
	<u>3,938,176</u>	<u>797,673</u>	<u>-</u>	<u>4,735,849</u>	<u>4,608,342</u>

Notes to the financial statements (continued)  
for the year ended 31 August 2022

5. Income from other activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 £	2021 £
RHI and FIT income	31,000	-	-	31,000	26,643
School Trips	3,978	-	-	3,978	(3,355)
Computing and cycle to work scheme	5,730	-	-	5,730	11,240
Other	763	-	-	763	3
	<b>41,471</b>	<b>-</b>	<b>-</b>	<b>41,471</b>	<b>34,531</b>

6. Expenditure on charitable activities

	Direct costs £	Support costs £	2022 £	2021 £
School	3,052,796	677,785	3,730,581	3,644,034
Welfare	28,398	-	28,398	32,153
Premises	416,382	-	416,382	382,105
	<b>3,497,576</b>	<b>677,785</b>	<b>4,175,361</b>	<b>4,058,292</b>

7. Support costs

	Management £	Finance £	Information technology £	Human resources £	Totals £
School	562,911	18,836	87,467	8,571	<b>677,785</b>

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

	2022 £	2021 £
Wages	<b>279,790</b>	261,763
Social security	<b>26,905</b>	23,283
Pensions	<b>2,412</b>	6,116
Hire of plant and machinery	<b>52,420</b>	56,359
Insurance	<b>74,981</b>	55,871
Postage and stationery	<b>32,134</b>	29,973
Travelling and motor	<b>45,094</b>	25,510
Professional fees	<b>40,215</b>	15,955
Bank charges	<b>2,205</b>	2,137
Computer licences and IT	<b>87,467</b>	82,294
Recruitment	<b>8,571</b>	3,102
Governance	<b>25,591</b>	20,520
	<b>677,785</b>	<b>582,883</b>

Notes to the financial statements (continued)  
for the year ended 31 August 2022

**8. Net incoming resources**

Net resources are stated after charging:

	<b>2022</b>	2021
	£	£
Governors' travel	<b>2,187</b>	-
Auditors' remuneration	<b>18,836</b>	17,820
Auditors' remuneration for non audit work	<b>4,355</b>	2,700
Auditors' remuneration for VAT advisory	<b>2,400</b>	-
Depreciation - owned assets	<b>147,713</b>	131,943
Hire of plant and machinery	<b>52,420</b>	56,359
Loss on disposal of fixed assets	<b>26</b>	2,579
	<b><u>227,937</u></b>	<b><u>211,401</u></b>

**9. Trustees' remuneration and benefits**

The charity trustees were not paid or received any other benefits from employment with the Charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

**Trustees' expenses**

The trustees were not reimbursed for expenses during the year (2021:£nil).

**10. Staff costs and the cost of key management personnel**

	<b>2022</b>	2021
	£	£
Wages and salaries	<b>2,515,372</b>	2,562,393
Social security costs	<b>252,589</b>	252,039
Other pension costs	<b>330,127</b>	368,195
	<b><u>3,098,088</u></b>	<b><u>3,182,627</u></b>
Supply staff costs	<b>41,865</b>	30,724
	<b><u>3,139,953</u></b>	<b><u>3,213,351</u></b>

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

	<b>2022</b>	2021
Teaching	<b>42</b>	42
Domestic	<b>6</b>	5
Care	<b>15</b>	18
Administration	<b>8</b>	8
Counselling	<b>1</b>	-
	<b><u>72</u></b>	<b><u>73</u></b>

Notes to the financial statements (continued)  
for the year ended 31 August 2022

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**10. Staff costs and the cost of key management personnel (continued)**

The number of employees included in the above whose emoluments, excluding pension contributions, exceeded £60,000 were as follows:-

	<b>2022</b>	<b>2021</b>
£60,000 to £70,000	2	-
£70,001 to £80,000	-	-
£80,001 to £90,000	-	-
£90,001 to £100,000	<u>1</u>	<u>1</u>

Pension contributions paid into a defined benefit scheme for the three members (2021: one member) of staff earning over £60,000 were £40,383 (2021: £20,142).

The key management personnel of the charity comprise the board of trustees, Headmaster and the senior leadership team. The total employee benefits of the key management personnel of the Trust were £324,477 (2021: £317,422).

Notes to the financial statements (continued)  
for the year ended 31 August 2022

11. Tangible fixed assets

	Land and buildings	Plant and machinery etc	Totals
	£	£	£
<b>Cost</b>			
At 1 September 2021	1,143,315	999,230	2,142,545
Additions	603,445	182,915	786,360
Disposals	-	(8,894)	(8,894)
Transfers	<u>(54,803)</u>	<u>54,803</u>	<u>-</u>
At 31 August 2022	<u>1,691,957</u>	<u>1,228,054</u>	<u>2,920,011</u>
<b>Depreciation</b>			
At 1 September 2021	293,740	572,481	866,221
Charge for year	22,402	125,312	147,714
Disposals	-	(8,868)	(8,868)
Transfers	<u>(1,338)</u>	<u>1,338</u>	<u>-</u>
At 31 August 2022	<u>314,804</u>	<u>690,263</u>	<u>1,005,067</u>
<b>Net book value</b>			
At 31 August 2022	<u><u>1,377,153</u></u>	<u><u>537,791</u></u>	<u><u>1,914,944</u></u>
At 31 August 2021	<u><u>849,575</u></u>	<u><u>426,749</u></u>	<u><u>1,276,324</u></u>

Included in cost or valuation of land and buildings is freehold land of £500 (2021 - £500).

The Company is the Custodian Trustee of the Breckenbrough School Charitable Trust and also the sole Trustee entrusted to manage the affairs of that Charitable Trust which includes the permanent endowment property and investments as indicated in note 17 of these financial statements. Financial Reporting Statement 102 requires that the substance of an entity's transactions is reported in its financial statements.

This requires that the commercial effect of a transaction and any resulting assets, liabilities, or gains and losses are shown and that the accounts do not merely report the legal form of a transaction. Following this, the Company has included the freehold land and buildings, and investments subject to permanent endowment, within its Balance Sheet.

All fixed assets are held for continuing use in the Charity's activities.

The freehold land and buildings were professionally valued on 3 March 2020 on an open market basis at £2,280,000 by Barry Crux & Company Limited, Chartered Surveyors. The Trustees do not consider that the valuation would have changed significantly between this year end and the valuation date.

Notes to the financial statements (continued)  
for the year ended 31 August 2022

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**12. Fixed asset investments**

By the Trust Deed, the investments are not subject to the limitations of the Trustee Investments Act. The investments represent a bank deposit account within the Endowed Funds (see notes 17 and 18).

**13. Debtors: amounts falling due within one year**

	<b>2022</b>	2021
	£	£
Trade debtors	<b>1,217</b>	1,249,480
Other debtors	<b><u>128,253</u></b>	<u>412,044</u>
	<b><u>129,470</u></b>	<u>1,661,524</u>

In 2022 the Autumn term invoices were raised prior to the year-end and were therefore included in trade debtors and deferred income in other creditors. In 2023, the Autumn term invoices were raised after the year-end.

**14. Creditors: amounts falling due within one year**

	<b>2022</b>	2021
	£	£
Trade creditors	<b>58,146</b>	76,150
Taxation and social security	<b>60,524</b>	58,012
Other creditors	<b>421,117</b>	1,377,332
Pension scheme liability	<b><u>10,350</u></b>	<u>27,000</u>
	<b><u>550,137</u></b>	<u>1,538,494</u>

Other creditors comprised:	<b>2022</b>	2021
	£	£
Fees in advance	<b>65,672</b>	1,272,779
Pension scheme contributions	<b>42,374</b>	43,238
Accruals	<b>307,793</b>	58,558
Other creditors	<b><u>5,278</u></b>	<u>2,757</u>
	<b><u>421,117</u></b>	<u>1,377,332</u>

Notes to the financial statements (continued)  
for the year ended 31 August 2022

15. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Pension	13,432	71,026
	<u>13,432</u>	<u>71,026</u>

16. Operating lease commitments

At 31 August 2022 the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	41,243	42,220
Between one and five years	45,310	791
	<u>86,553</u>	<u>43,011</u>

17. Movement in funds

	At 1.9.21	Incoming resources	Resources expended	Gains, losses and transfers	At 31.8.22
	£	£	£	£	£
<b>Unrestricted funds</b>					
General fund	1,837,625	3,986,573	(3,275,332)	232,392	2,781,258
Designated fund	900,000	-	-	(178,000)	722,000
Capital grant	83,270	-	-	-	83,270
	<u>2,820,895</u>	<u>3,986,573</u>	<u>(3,275,332)</u>	<u>54,392</u>	<u>3,586,528</u>
<b>Restricted funds</b>					
DFC Grant	9,620	66,732	(76,352)	-	-
Equipment fund	-	20,000	-	-	20,000
ESFA funding	28,303	797,673	(825,976)	-	-
	<u>37,923</u>	<u>884,405</u>	<u>(902,328)</u>	<u>-</u>	<u>20,000</u>
<b>Endowed funds</b>					
Foundation capital	84,579	-	-	-	84,579
Lone House capital	48,500	29	-	(29)	48,500
	<u>133,079</u>	<u>29</u>	<u>-</u>	<u>(29)</u>	<u>133,079</u>
<b>Total funds</b>	<u>2,991,897</u>	<u>4,871,007</u>	<u>(4,177,660)</u>	<u>54,363</u>	<u>3,739,607</u>

**Capital grant - unrestricted**

This is a designated fund which represents a capital grant which was received from the Department for Education and Skills and may be repayable in the event of the closure of the School.

**DFC Grant**

The DFC grant is amounts received for capital funding to be used for improvements to buildings and other facilities, including ICT, or capital repairs and refurbishment. The transfer to unrestricted funds represents the amount spent in the year on capital items using this grant.

**17. Movement in funds (continued)**

**Equipment fund**

The equipment fund includes a donation of £20,000 to be used on equipment that will benefit pupils now and in the future.

**ESFA funding**

These monies were received from the Education and Skills Funding Agency for the education and support activities of the school and were fully utilised in the year.

**Endowed funds**

The Foundation capital represents the original endowment to provide for the establishment of the Charity. The Lone House capital represents the replacement under a recoupment order of sums expended following the sale of the property known as Lone House. The amount outstanding at the year end under the order amounted to £48,500, which represents the original value. The investment generated £29 of interest during the year which has been transferred to unrestricted funds.

**Designated funds**

Designated funds at 31 August 2022 comprise of:

£372,000 for the completion of the construction of the Hub.

£350,000 alternative site provision. These funds have been designated in the year to fund an enhancement of the school's current provision on an alternative site. The funds will be used to equip the facility to ensure it is fit for purpose.

Notes to the financial statements (continued)  
for the year ended 31 August 2022

18. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £
Fixed assets	1,830,365	-	84,579	1,914,944
Investments	5	-	48,500	48,505
Current assets	2,319,727	20,000	-	2,339,727
Current liabilities	(550,137)	-	-	(550,137)
Long term liabilities	(13,432)	-	-	(13,432)
	<b>3,586,528</b>	<b>20,000</b>	<b>133,079</b>	<b>3,739,607</b>

Prior year analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total funds £
Fixed assets	1,182,125	9,620	84,579	1,276,324
Investments	270	-	48,500	48,770
Current assets	3,248,020	28,303	-	3,276,323
Current liabilities	(1,538,494)	-	-	(1,538,494)
Long term liabilities	(71,026)	-	-	(71,026)
	2,820,895	37,923	133,079	2,991,897

19. Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net income for the reporting period	747,710	809,347
Adjusted for:		
Depreciation	147,714	131,943
Loss on disposal of fixed assets	26	13,765
Investment income	(29)	(12)
(Increase)/decrease in stocks	(5,002)	2,507
Decrease/(increase) in debtors	1,532,054	(574,297)
(Decrease)/Increase in creditors	(971,707)	49,416
Pension scheme non-cash movement	(74,244)	(26,974)
	<b>1,376,522</b>	<b>405,695</b>

Notes to the financial statements (continued)  
for the year ended 31 August 2022

20. Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash in hand	2,203,311	1,612,855
Cash held as investment	<u>48,505</u>	<u>48,770</u>
	<u>2,251,816</u>	<u>1,661,625</u>

21. Pension commitments

Teachers' Pension Scheme

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in schools and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

The employer's pension costs paid to TPS in the period amounted to £303,059 (2021: £304,855). At the year end £34,349 (2021: £35,758) was due to the scheme. No amounts were prepaid at either year end.

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

**The Pensions Trust**

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme.

Therefore it accounts for the scheme 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.

**Notes to the financial statements (continued)  
for the year ended 31 August 2022**

**21. Pension commitments (continued)**

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 company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

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:

**Deficit contributions**

<b>From 1 April 2022 to 31 January 2025:</b>	<b>£3,312,000 per annum</b>	<b>(payable monthly)</b>
----------------------------------------------	-----------------------------	--------------------------

Unless a concession has been agreed with the Trustee the term to 31 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:

**Deficit contributions**

<b>From 1 April 2019 to 30 September 2025:</b>	<b>£11,243,000 per annum</b>	<b>(payable monthly and increasing by 3% each on 1st April)</b>
------------------------------------------------	------------------------------	-----------------------------------------------------------------

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.

**Present value of provisions**

	<b>Period Ending 31 August 2022 (£s)</b>	<b>Period Ending 31 August 2021 (£s)</b>	<b>Period Ending 31 August 2020 (£s)</b>
<b>Present value of provision</b>	23,782	98,026	124,720

Notes to the financial statements (continued)  
for the year ended 31 August 2022

## 21. Pension commitments (continued)

## Reconciliation of opening and closing provisions

	Period Ending 31 August 2022 (£s)	Period Ending 31 August 2021 (£s)
Provision at start of period	98,026	124,720
Unwinding of the discount factor (interest expense)	553	605
Deficit contribution paid	(20,434)	(27,167)
Remeasurements - impact of any change in assumptions	(1,048)	(132)
Remeasurements - amendments to the contribution schedule	(53,315)	-
Provision at end of period	23,782	98,026

## Income and expenditure impact

	Period Ending 31 August 2022 (£s)	Period Ending 31 August 2021 (£s)
Interest expense	553	605
Remeasurements – impact of any change in assumptions	(1,048)	(132)
Remeasurements – amendments to the contribution schedule	(53,315)	-
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

\*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

## Assumptions

	31 August 2022 % per annum	31 August 2021 % per annum	31 August 2020 % per annum
Rate of discount	4.46	0.63	0.55

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.

The assumptions are supplied by the external Actuaries.

**22. Capital commitments**

At 31 August 2022 £740,449 (2021: £nil) capital expenditure had been contracted for in relation to the construction of The Hub. At 31 August 2022 there was no capital expenditure that had been approved but not yet contracted for (2021: £nil).

**23. Related party disclosures**

Some members of the governors/trustees also serve on the Board of the Charity, known as Beyond Breckenbrough, whose activities include assistance with transition from the school along with the provision of financial and other assistance to old boys of Breckenbrough School, directly or otherwise. During the year salaries of £7,031 (2021: £11,329) were recharged to Beyond Breckenbrough. At the year end the school was owed £7,031 (2021: £66,777) by Beyond Breckenbrough.

There were no other related party transactions during the current or preceding year.

**24. Ultimate controlling party**

Due to the diverse nature of the membership of the company, no one member has control over the company.

**25. Limited by Guarantee**

The company is limited by guarantee so has no share capital. The members have guaranteed to provide an amount of £1 in the event of the winding up of the company.

**BRECKENBROUGH SCHOOL LIMITED**

England & Wales - Charity number 1122269

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# Accounts

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**Registered Company Number: 06223076 (England and Wales)**  
**Registered Charity Number: 1122269**

**Breckenbrough School Limited**

**Report of the Trustees and Financial Statements  
for the Year Ended 31 August 2021**

**Breckenbrough School Limited**

**Contents of the Financial Statements  
for the Year Ended 31 August 2021**

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## Breckenbrough School Limited

### Report of the Trustees for the Year Ended 31 August 2021

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The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2021.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### Reference and administrative details

**Registered Company number** 06223076 (England and Wales)

**Registered Charity number** 1122269

**Registered office** Sandhutton  
Breckenbrough  
Thirsk  
YO7 4EN

#### Trustees

Alison Clarke	Chair	
Ruth McTighe	Deputy Chair from 15.11.19	
Stefan Lewicki		
John Littlefair		
John Margham		
Kirit Gordhandas	Appointed 01.01.21	Resigned 12.09.21
Fleur Parker	Appointed 01.01.21	Resigned 17.10.21

#### Key Management Personnel

Headmaster	Simon Bannister
Deputy Headmaster	James Shutt
Head of Social Education	Stuart Edwards
Bursar	Sue Jones

#### Auditors

Saffery Champness LLP  
Mitre House  
North Park Road  
Harrogate  
North Yorkshire  
HG1 5RX

#### Solicitors

North Yorkshire County Council  
County Hall  
Northallerton  
DL7 8AD

**Breckenbrough School Limited**

**Report of the Trustees  
for the Year Ended 31 August 2021**

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**Reference and administrative details (continued)**

<b>Bankers</b>	Barclays Bank plc 25 St James Street Harrogate HG1 1ZT
<b>Insurers</b>	Innovation Broking 20 St Dunstons Hill London EC3R 8HL
<b>Co-opted Members</b>	Richard Clarke Sally Burton
<b>Staff Representative Governors</b>	Vacant position
<b>Headmaster</b>	Simon Bannister
<b>Governor appointed by North Yorkshire County Council</b>	Robert Baker
<b>Parent Governors</b>	Carl Wright Daniel Hunter

***Our vision is always to put the individual needs of the students first.***

**Aims, Objectives and Activities**

**Aims**

Breckenbrough School provides education and care for boys from 9 to 19 years of age. Each student at the school has an Education Health and Care Plan (formerly a Statement of Special Educational Needs) created by his funding Local Authority that identifies him as having complex needs such as Autistic Spectrum Condition. Authorities from many parts of the UK place students at Breckenbrough.

We aim to support our students to achieve two key goals during their time at Breckenbrough. Firstly, to be themselves, aspire and be successful. Secondly, to develop strategies and coping mechanisms to help them thrive in the neurotypical world.

**Objectives**

We review our aspirations and school improvement objectives along with the outcomes of the immense amounts of work done by staff. The Governors focus on the overall school improvement objectives. In individual cases, staff adapt education and care plans for students so that the school always responds as appropriately as it can to a student's specific needs. Done with care, this helps each student to improve on his own "previous best" performances in a range of subjects and social skills and to learn to take increasing responsibility for his own learning and development.

The school works as a "one team" approach. By integrating academic and social education with support mechanisms to meet specific individual needs, each element plays a vital role in providing a framework for helping the students to achieve their full academic and broader personal potential.

**Activities**

Students display a range of special complex needs. Some experience difficulties associated with Autism and may have been diagnosed with Autistic Spectrum Condition, including Asperger's Syndrome. Some have Attention Deficit Disorder, with some students being diagnosed with a more complex version, that of Attention Deficit Hyperactivity Disorder. Others are designated less specifically as experiencing Social, Emotional, Anxiety and Mental Health needs. The mix of need presented by the students covers a wide range of behaviours and barriers to learning, but most boys are able, each at his own rate, to develop friendships and maintain positive working and learning relationships.

The staff are skilled in encouraging such development and work hard to promote it, showing great sensitivity towards students whose development is slower or more hesitant. The school uses small class sizes and one-to-one tuition when needed, so that adequate attention is given to specific individual needs. There is an appropriate emphasis on outdoor activities, as these can support the practical and social aspects of learning, complementing the more academic and abstract side which some students find harder.

Breckenbrough School provides education to GCSE and A level standard. Some of the education provision is offered through third party providers with our staff in support, which helps in the transition to independent living and higher education studies. The school also gives great attention to the boys' physical, mental and spiritual welfare and helps students to develop positive relationships with peers and adults. The After-care provision, through Beyond Breckenbrough (rarely found elsewhere), continues to provide practical assistance to old scholars as well as help with career guidance and further development of life skills.

The School had an average number of 68 (2020 – 65) boys on roll during the year.

**Report of the Trustees  
for the Year Ended 31 August 2021**

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**Public Benefit**

The Trustees have had due regard to guidance published by the Charities Commission on public benefit. The students' achievements are part of the benefit, in that we help to create and develop mature citizens. We regularly offer the school for summer school hire. We worked with a company called Campus Holidays who offer free holidays to under privileged children and those from deprived backgrounds. This was a very successful opportunity for both the school and Campus and over 120 children to enjoy a holiday they would not normally have. Unfortunately, the pandemic has stopped this taking place in 2020 and 2021 but plans are already in place for it to be restarted in 2022.

**Achievements and Performance**

The school has a long record of successfully changing the lives and behaviour of its scholars. Before coming to the school, a boy will frequently have been the cause of deep concern to parents and educators alike, and in numerous cases has been a "hard to place" student. Parents frequently tell us of the change in attitude displayed by their son after arriving at Breckenbrough, within months or even weeks. These kinds of dramatic changes in attitude have continued during the period of this report.

OFSTED inspected and reported on our residential provision in January 2022 and found the quality of provision and outcomes for residential students to be good. 'Children make good progress in all areas of their development, and their self-belief and confidence improve significantly as a result of visiting this residential provision. Children thrive in an environment where they can be themselves. One child said, 'I can be who I am here, I'm not made to try and be like other children.' We were disappointed that we were downgraded from outstanding and have created a post OFSTED action plan that aims for us to be back to outstanding at the next inspection in 2023.

The last OFSTED academic inspection of the school took place in November 2021, in which our overall rating was judged to be requiring improvement. The school was judged to be good in the areas of Personal Development, Behaviour and Attitudes and Sixth Form provision. Quality of Education was deemed to require improvement and this directs the overall judgement regardless of other areas for inspection. As such, Leadership and Management was also judged to be requiring improvement. We were disappointed with the overall judgement and believe we provide an excellent standard of education from our students' relative starting points but have accepted the judgement and have already made strides forwards as a school. One such development is the introduction of a new curriculum pathway that takes a structured and measurable approach in the delivery of our holistic outcomes within Key Stage 2 and 3. We are due our next Section 5 inspection by spring 2024, where we will need to have addressed the areas requiring improvement. An action plan is in place and we are making very good progress to the objectives set out within this document.

Of the students who graduated from the school in summer 2021, all made the successful transition to higher education, further education or some form of vocational placement or employment. This is the fifth year in succession where students had 100% successful transitions.

The school continues to develop and diversify the curriculum in order to provide a platform for every student to achieve, irrespective of their starting point and identified career path.

**Financial Review**

Finance is always a major consideration of the Board. Financial performance is monitored and assessed carefully. This year has been a very positive one financially as you will see from the pages to follow with our surplus being £809k (2020 £236k) . Our income is almost entirely dependent on the number of students on roll, paid by each student's home local authority and our student numbers have continued to increase, whilst we already had built in capacity within staffing numbers to allow these students to join us, so costs have not

**Report of the Trustees  
for the Year Ended 31 August 2021**

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increased over budget. The school has benefited financially from grants issued by DfE directly linked to the additional facilities and routines that were implemented to manage the COVID 19 pandemic. These grants amounted to £53,916. There was also a grant from DfE in the year relating to capital and maintenance of our building of £78,811. In budgeting we do not assume its continuation but these funds are always welcome and go towards the general maintenance and capital investment we make in the school property.

An unusual area of income to us, but very welcome, has been made to the school by a bequest from a Friend in their last will and testament. The residual funds which amounted to £172k arrived in our account in October 2021 but are accounted for in these accounts. This bequest came with no nomination of use so has been approved by the Board to be included in the funding for the construction mentioned below. These additional funds have allowed the school to enlarge the project to create a bespoke cleaning and storage facilities to house the equipment used in the performance of the Outdoor Education curriculum. This is something that is desperately needed to ensure the longevity of this equipment.

The Governors endorse several designations, the first being £250K, to add to the construction fund for the development of a purpose-built therapy facility. This new facility will enable us to deliver our therapies in a conducive environment, so the students can benefit thoroughly from their sessions with Occupational and Speech and Language therapists. We have been able to build up this designation to £550k, accumulated over the last 3 years. The construction of this new facility will commence in May 2022 at an overall cost of circa £1.1 million. It is hoped that the new building will be completed and opened by January 2023 which will benefit all of our students significantly.

An amount of £200k has been designated towards an additional building to house classrooms. The school has identified the need for more classroom space as the student numbers rise. A long-term aspiration is to address the work in maintaining the roof which ideally requires replacement.

A final designation totals £150k and this has been set aside to help fund an enhancement to our current provision which will be delivered on an alternative site. We are in the very early stages of planning this provision which has been brought to us by way of a benefactor, but we have already identified that we will need to equip the facility to ensure it is fit for purpose.

Our policy is to invest when we can in funds and investments on a basis approved by the Charity Commissioners and that remain ethical. We allow for regular strategic planning. Due to the nature of their needs, the number of students starting and leaving the school each year varies, often at irregular points throughout the year. Our plan to increase the number of students to about 65 has been achieved and Department for Education has now given us approval for 70 students to be on roll. The Marketing Officer continues to ensure that Local Authorities and potential parents and their support groups, are kept well aware of our existence and of the benefits we offer so that referrals can be communicated through parental preference. This can be evidenced as successful due to the length of the waiting list for new student places. We continue to resist requests from Local Authorities to reduce our fees, pointing out to them that we do not make annual fee increases on current placements. However, modest annual increases in fee levels are necessary, but these are now only applied once a year to new placements. We remain keen to give Local Authorities value for money and positive outcomes which means retaining practices that we know work for our students and thereby benefit their outcomes and in turn the placing Authorities. High staff-to-student ratios continue to be necessary for our provision to be successful and remain one of the major differences between Breckenbrough and other schools.

In applying the requirement under FRS102, a liability has been recognised for the agreed future deficit payments on the pension scheme with Pensions Trust. The pension deficit recognised at the year-end was £98,000 (2020: £125,000).

## **Structure, Governance and Management**

### **Legal status**

Breckenbrough School Limited was formed on 23 April 2007 and commenced trading on 1 September 2008. The School is a corporate registered charity (number 1122269). The Company is governed by its Memorandum and Articles of Association, as amended by special resolutions dated 21 November 2007 and 1 October 2008.

### **Recruitment and appointment of Governors**

Possible new Board members are approached informally, given information about the work of the Board, meet the Chair and Head Teacher to discuss their involvement, tour the school and, in most instances, attend Board or Committee meetings to learn about the business. Our practice is to issue newcomers with information regarding the charity's policies, constitution, meeting procedures, and an indication of their possible duties. Following appointment, new Governors receive an induction. During the year, the Board arranges regular in-house training sessions aimed at improving Governors' knowledge of the school and understanding of their roles. Where needed (e.g. in relation to Child Protection) specific information and/or training sessions are 'bought in' or attended outside school.

### **Organisational structure**

In the year ended 31 August 2021 the Governing Body included seven Trustees who were members of the Religious Society of Friends (Quakers) appointed by 'Quakers in Yorkshire', the body representing the Religious Society of Friends in the area. The Trustees served as Directors of the Company. The conduct of the School was under the direction of the Board in accordance with the purposes, character and ethos of the School as determined by the Trustees. There were five other members of the Board, one appointed by North Yorkshire County Council, two being parents of boys who are in the school identified by the Head in consultation with parents elected by the parents, and two co-opted by the Board. In making decisions on all matters, successful efforts were made to achieve unity on the Board after the Quaker manner.

Appointments to the Board are for a period of four years, and there is an option to appoint for a second period.

### **Committees**

There are two Committees reporting to the Board - an Education Committee and a Resources Committee that has finance, marketing, personnel and premises within its remit. Individual Governors take specific responsibilities for Health and Safety, Child Protection, Careers, Teaching and Learning and Residential. There is also a Strategy and Development Committee (made up of the full Board Chair, the Education Chair, the Resources Chair and members of the school Senior Leadership Team). All committees meet at least three times a year, following the same cycle each term leading up to the Full Governing Board meeting.

### **Related parties**

Some members of the governors/trustees also serve on the Board of the Charity, known as Beyond Breckenbrough, whose activities include assistance with transition from the school along with the provision of financial and other assistance to old boys of Breckenbrough School, directly or otherwise. During the year the charity paid £7,063 (2020: £6,389) as part of a combined policy which includes Trustee Indemnity Insurance.

### **Key management personnel remuneration**

The trustees consider the board of trustees, Headteacher and the Senior Leadership Team as comprising the key management personnel of the charity, in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee remuneration

**Report of the Trustees  
for the Year Ended 31 August 2021**

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was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 9 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Bursar and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises. Neither the Trust nor any of the trustees have interests with other independent special schools but any such interests would be disclosed.

The pay of the Headteacher is reviewed annually and normally increased in accordance with average sector earnings. In view of the nature of the charity, the remuneration is bench-marked with similar establishments of a similar size and activity to ensure that the remuneration set is fair, and not out of line with that generally paid for similar roles.

**Pay policy for senior staff**

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the directors benchmark against pay levels in other special schools of a similar size run on a charitable basis. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 30% for any additional responsibilities.

**Reserves policy**

The Trustees try to build resilience within the balance sheet and the charity's aims are to increase reserves wherever possible to manage increases to salaries and pensions and building maintenance outside of the school's control.

The level of total funds at the year-end were £2,991,897 (2020: £2,182,550). The Trustees are pleased to report that the level of unrestricted reserves less unrestricted fixed assets and investments as detailed in note 18, has increased from £889,972 in 2020 to £1,638,500 on 31 August 2021.

The Charity still aims to increase cash reserves through prudent management of overall expenditure, to enable a free cash reserve fund to be available to add to the stability of the School. The target level of reserves is based on 6 months of operating expenditure in accordance with The Charity Commission's guidelines, which is approximately £1,500,000.

In assessing the ability of the school to continue as a going concern the Trustees are mindful of the future commitments and cash is monitored day to day and longer term. The Trustees are of the view that the charity is a going concern.

**Principal risks and uncertainties**

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Governors examine the principal areas of the School's operations and the major risks faced in each area. All school policies and internal systems are appraised regularly and strengthened and risks are minimised by the implementation as necessary of revised policies and procedures for the management of all activities including the authorisation of all transactions, projects and procedures. The existing policy documents have been reviewed recently including Child Protection, Safeguarding, Health and Safety, Fire Risk Assessment and Emergency Procedures. The school also reviews its activities to respond to the requirements set by OFSTED. The Trustees are satisfied the major risks have been established and action taken to mitigate those risks.

### **Fundraising**

The School co-ordinates low-level fund-raising activities for a range of local and national charities such as Children in Need, Red Nose Day, etc. We also undertake fundraising to benefit the School as whole to support specific projects for new equipment for example. These are either led by the School or its employees. We are not registered with the fundraising regulator or with any professional fundraisers or commercial participators.

### **Land and buildings**

The Trustees are of the opinion that the open market value of the land and buildings is materially in excess of book value. This can be evidenced by our most up to date valuation which was concluded in March 2020, as indicated in note 11 of these financial statements. Governors currently request that a valuation is undertaken every three years.

### **Plans for the future**

The Strategy and Development group meet to consider plans to secure the longevity of the School's future. Open thinking is encouraged so as all angles can be considered. Senior leaders are active in keeping abreast of changes to Department for Education thinking and published strategy on SEND to feed into our considerations. Current discussions and investigations centre around sustainability and how we can maintain our standing in the sector, whilst larger commercial enterprises continue to grow with the likes of Cambian, Witherslack Group, and Priory either taking over smaller schools or developing additional provision. We must not be blinkered to these potential threats. The SEND review has just been completed and green paper issued for consultation within the sector until mid-July 2022. Senior leaders are attending sessions to understand the implications of potential changes and will be contributing to the consultation.

It is very evident that these current risks have been considered in the past by our trustees and that informed planning has stood the charity in good stead going forward. We need to remain focused and open to change.

### **Funds held as custodian for others**

The company is the Custodian Trustee of the Breckenbrough School Charitable Trust and also the sole Trustee entrusted to manage the affairs of that charitable Trust which includes the permanent endowment property and investments as indicated in note 11 of these financial statements. The Company has included the freehold land and buildings and investments subject to permanent endowment within its balance sheet.

### **Statement of trustees' responsibilities**

The trustees (who are also directors of Breckenbrough School Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

**Breckenbrough School Limited**

**Report of the Trustees  
for the Year Ended 31 August 2021**

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

In so far as the trustees are 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 24 May 2022 and signed on its behalf by:



A Clarke

**Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited**

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**Opinion**

We have audited the financial statements of Breckenbrough School Limited for the year ended 31 August 2021 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flows 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 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 charitable company's state of affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

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

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

## **Breckenbrough School Limited**

### **Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited**

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misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report.

#### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

**Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited**

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, guidance issued by the Charity Commission for England and Wales and guidance issued by the Department for Education.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Breckenbrough School Limited

**Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited**

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

**Use of our report**

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

*Saffery Champness LLP*  
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Sally Appleton BA(Hons) FCA (Senior Statutory Auditor)  
For and on behalf of

Saffery Champness LLP  
Chartered Accountants  
Statutory Auditors  
Mitre House  
North Park Road  
Harrogate  
North Yorkshire  
HG1 5RX

25 May 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Breckenbrough School Limited

Statement of Financial Activities  
(including income and expenditure account)  
for the year ended 31 August 2021

		Unrestricted funds	Restricted funds	Endowment funds	2021 Total funds	2020 Total funds
	Notes	£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and legacies	3	174,061	49,444	-	223,505	33,070
Charitable activities	4	3,775,160	833,182	-	4,608,342	4,056,766
Other trading activities		1,117	-	-	1,117	1,366
Investments		-	-	12	12	323
Other	5	34,531	-	-	34,531	20,955
<b>Total</b>		<b>3,984,869</b>	<b>882,626</b>	<b>12</b>	<b>4,867,507</b>	<b>4,112,480</b>
<b>Expenditure on:</b>						
Raising funds		-	-	-	-	1,382
Charitable activities	6	3,203,969	854,323	-	4,058,292	3,874,474
<b>Total</b>		<b>3,203,969</b>	<b>854,323</b>	<b>-</b>	<b>4,058,292</b>	<b>3,875,856</b>
<b>Net income</b>		<b>780,900</b>	<b>28,303</b>	<b>12</b>	<b>809,215</b>	<b>236,624</b>
Transfers between funds	17	12	-	(12)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gain/ (loss) on defined Benefit Scheme		132	-	-	132	(1,000)
<b>Net movements in funds</b>		<b>781,044</b>	<b>28,303</b>	<b>-</b>	<b>809,347</b>	<b>235,624</b>
<b>Reconciliation of funds:</b>						
<b>Total funds brought forward</b>		<b>2,039,851</b>	<b>9,620</b>	<b>133,079</b>	<b>2,182,550</b>	<b>1,946,926</b>
<b>Total funds carried forward</b>		<b>2,820,895</b>	<b>37,923</b>	<b>133,079</b>	<b>2,991,897</b>	<b>2,182,550</b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes form part of these financial statements.

## Breckenbrough School Limited

### Balance Sheet as at 31 August 2021

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	11	<b>1,276,324</b>	1,243,817
Investments	12	<b>48,770</b>	48,761
		<b>1,325,094</b>	1,292,578
<b>Current assets</b>			
Stocks		1,944	4,451
Debtors	13	<b>1,661,524</b>	1,087,227
Cash at bank and in hand		<b>1,612,855</b>	1,385,372
		<b>3,276,323</b>	2,477,050
<b>Creditors</b>			
Amounts falling due within one year	14	<b>(1,538,494)</b>	(1,489,078)
<b>Net current assets</b>		<b>1,737,829</b>	987,972
<b>Total assets less current liabilities</b>		<b>3,062,923</b>	<b>2,280,550</b>
<b>Creditors</b>			
Amounts falling due after more than one year	15	<b>(71,026)</b>	(98,000)
<b>Net assets</b>		<b>2,991,897</b>	<b>2,182,550</b>
<b>Funds</b>	17		
Unrestricted funds – general		<b>1,920,895</b>	1,739,851
Unrestricted funds – designated		<b>900,000</b>	300,000
Restricted funds		<b>37,923</b>	9,620
Endowment funds		<b>133,079</b>	133,079
<b>Total funds</b>		<b>2,991,897</b>	<b>2,182,550</b>

The notes form part of these financial statements

The trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Board of Trustees on 24 May 2022 and were signed on its behalf by:

A Clarke  
Trustee



Registered company number 06223076

**Breckenbrough School Limited**

**Statement of cash flows  
for the year ended 31 August 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	405,695	385,008
<b>Cash flows from investing activities</b>			
Interest from investments		12	323
Purchases of property, plant and equipment		(178,215)	(264,536)
		(178,203)	(264,213)
<b>Cash flows from financing activities</b>			
Repayments of borrowing		-	(78,433)
		-	(78,433)
<b>Change in cash and cash equivalents in the reporting period</b>		<b>227,492</b>	<b>42,362</b>
Cash and cash equivalents at the beginning of the reporting period		1,434,133	1,391,771
<b>Cash and cash equivalents at the end of the reporting period</b>	20	<b><u>1,661,625</u></b>	<b><u>1,434,133</u></b>

**Analysis of changes in net debt**

	At 1 Sept 2020 £	Cash flows £	At 31 Aug 2021 £
Cash	1,434,133	227,492	1,661,625
	<u>1,434,133</u>	<u>227,492</u>	<u>1,661,625</u>
Total	<u>1,434,133</u>	<u>227,492</u>	<u>1,661,625</u>

The notes form part of these financial statements

**Notes to the financial statements (continued)**  
**for the year ended 31 August 2021**

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**1. Accounting policies**

**Accounting convention**

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Breckenbrough School Limited meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**Going concern**

In assessing the ability of the school to continue as a going concern the Trustees are mindful of the future commitments and cash is monitored day to day and longer term. The Trustees are of the view that the company is a going concern.

**Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably and are stated gross within the Statement of Financial Activities.

Fees receivable consists of charges levied for the provision of services for the year to 31 August 2021 in accordance with the Trust Deed.

Grants are recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Where the donor has imposed restrictions then the grant is treated as a restricted fund. Grants which are repayable if not utilised within a specific period are deferred until expended.

Legacies are recognised when the entitlement to the legacy is known with certainty, the value of the legacy receipt can be quantified with reasonable certainty and the timing of the receipt is known with reasonable probability.

Incoming resources from endowment funds are unrestricted income.

**Resources expended**

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

Irrecoverable VAT is included in the SOFA in the cost of the expenditure incurred.

**Notes to the financial statements (continued)  
for the year ended 31 August 2021**

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**1. Accounting policies (continued)**

Costs of generating funds comprise the costs associated with attracting pupils, in order to generate income.

Education and training comprise the costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting with the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis, e.g. estimated usage.

**Tangible fixed assets**

Fixed assets are stated at historical cost.

No depreciation is provided on freehold land.

Depreciation is provided on all other tangible fixed assets at rates calculated to write each assets down to its estimated residual value over its expected useful life, as follows: -

Freehold properties	2% - Straight line
Equipment, fixtures and fittings	20% - Reducing balance (except boilers 4% straight line)
Computer equipment	33.3% - Straight line
Motor vehicles	25% - Reducing balance

Leased assets are depreciated on a straight-line basis over the period of the lease.

Donated assets are capitalised at estimated cost.

**Stocks**

Stocks are valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow-moving items.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Financial instruments**

The charity 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 measure at their settlement value with the exception of bank loans which are subsequently measured at amortised costs using the effective interest method.

**Notes to the financial statements (continued)  
for the year ended 31 August 2021**

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**1. Accounting policies (continued)**

**Fund accounting**

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

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

Endowment funds are restricted funds that represent a donation to the Charity with specific criteria that the Charity must follow.

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

**Hire purchase and leasing commitments**

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

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

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

The Charity contributes to the Teachers' Pension Defined Benefits 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.

In respect of non-teaching staff, the school contributes to a defined benefit scheme administered by the Pension Trust. 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.

Contributions to both schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

In respect of one staff member, contributions are made to a Self-Invested Pension Plan (SIPP). Contributions are charged to the SOFA as they become payable.

**Teaching costs**

Supplies of games equipment, books, stationery and sundry materials are written off to the general fund account when the expenditure is incurred.

Notes to the financial statements (continued)  
for the year ended 31 August 2021

## 2. Comparative SOFA

	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2020
	£	£	£	£
Donations and legacies	867	32,203	-	33,070
Charitable activities	3,355,500	701,266	-	4,056,766
Other trading activities	1,366	-	-	1,366
Investments	-	-	323	323
Other	20,955	-	-	20,955
<b>Total</b>	<b>3,378,688</b>	<b>733,469</b>	<b>323</b>	<b>4,112,480</b>
Raising funds	1,382	-	-	1,382
Charitable activities	3,141,005	733,469	-	3,874,474
<b>Total</b>	<b>3,142,387</b>	<b>733,469</b>	<b>-</b>	<b>3,875,856</b>
<b>Net income</b>	<b>236,301</b>	<b>-</b>	<b>323</b>	<b>236,624</b>

## 3. Income from donations and legacies

	Unrestricted funds	Restricted funds	Endowment funds	2021	2020
	£	£	£	£	£
Donations	2,032	7,038	-	9,070	6,892
Legacies	172,029	-	-	172,029	-
Grants	-	42,406	-	42,406	26,178
	<b>174,061</b>	<b>49,444</b>	<b>-</b>	<b>223,505</b>	<b>33,070</b>

Included in donations in 2020 is restricted donations of £6,025 and unrestricted donations of £867. In 2020, the grant income all related to restricted funds.

Notes to the financial statements (continued)  
for the year ended 31 August 2021

## 4. Income from charitable activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 £	2020 £
Fees	3,661,171	-	-	3,661,171	3,251,718
Recharges for other costs	111,046	-	-	111,046	97,509
ESFA	-	833,182	-	833,182	701,266
Other income and grants	2,943	-	-	2,943	6,273
	<u>3,775,160</u>	<u>833,182</u>	<u>-</u>	<u>4,608,342</u>	<u>4,056,766</u>

In 2020 £701,266 of ESFA income related to restricted funds. All other income from charitable activities was unrestricted in 2020.

## 5. Income from other activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 £	2020 £
RHI and FIT income	26,643	-	-	26,643	16,668
School Trips	(3,355)	-	-	(3,355)	7,455
Computing and cycle to work scheme	11,240	-	-	11,240	(3,213)
Other	3	-	-	3	45
	<u>34,531</u>	<u>-</u>	<u>-</u>	<u>34,531</u>	<u>20,955</u>

There was a net outflow in relation to school trips in the year relating to refunds for cancelled trips due to covid.

## 6. Expenditure on charitable activities

	Direct costs £	Support costs £	2021 £	2020 £
School	3,061,151	582,883	3,644,034	3,540,633
Welfare	32,153	-	32,153	16,282
Premises	382,105	-	382,105	317,559
	<u>3,475,409</u>	<u>582,883</u>	<u>4,058,292</u>	<u>3,874,474</u>

Included in expenditure on charitable activities is £854,323 relating to restricted funds (2020 £733,469 restricted)

Notes to the financial statements (continued)  
for the year ended 31 August 2021

7. Support costs

	Management	Finance	Information technology	Human resources	Totals
	£	£	£	£	£
School	<u>476,967</u>	<u>20,520</u>	<u>82,294</u>	<u>3,102</u>	<u>582,883</u>

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

	2021	2020
	£	£
Wages	261,763	239,011
Social security	23,283	22,466
Pensions	6,116	13,565
Hire of plant and machinery	56,359	66,892
Insurance	55,871	48,845
Postage and stationery	29,973	36,708
Travelling and motor	25,510	29,429
Professional fees	15,955	27,841
Bank charges	2,137	3,353
Computer licences and IT	82,294	78,535
Recruitment	3,102	2,843
Governance	<u>20,520</u>	<u>18,328</u>
	<u>582,883</u>	<u>587,816</u>

8. Net incoming resources

Net resources are stated after charging:

	2021	2020
	£	£
Governors' travel	-	388
Auditors' remuneration	17,820	14,140
Auditors' remuneration for non-audit work	2,700	3,800
Depreciation - owned assets	131,943	87,911
Hire of plant and machinery	56,359	66,892
Loss on disposal of fixed assets	<u>2,579</u>	<u>-</u>

9. Trustees' remuneration and benefits

The charity trustees were not paid or received any other benefits from employment with the Charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses

Travel expenses of £nil (2020: £388) were reimbursed to zero (2020: three) Governors during the year.

Notes to the financial statements (continued)  
for the year ended 31 August 2021

10. Staff costs and the cost of key management personnel

	2021	2020
	£	£
Wages and salaries	2,562,393	2,385,442
Social security costs	252,039	227,977
Other pension costs	368,195	331,652
	<u>3,182,627</u>	<u>2,945,071</u>
Supply staff costs	30,724	61,836
	<u>3,213,351</u>	<u>3,006,907</u>

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

	2021	2020
Teaching and counselling	42	40
Domestic	5	7
Care	18	17
Administration	8	8
	<u>73</u>	<u>72</u>

The number of employees included in the above whose emoluments, excluding pension contributions, exceeded £60,000 were as follows: -

	2021	2020
£60,000 to £70,000	-	-
£70,001 to £80,000	-	-
£80,001 to £90,000	-	1
£90,001 to £100,000	1	-
	<u>1</u>	<u>-</u>

Pension contributions paid into a defined benefit scheme for the one member (2020: one member) of staff earning over £60,000 were £20,142 (2020: £19,141).

The key management personnel of the charity comprise the board of trustees, Headmaster and the senior leadership team. The total employee benefits of the key management personnel of the Trust were £441,900 (2020: £420,439).

**Notes to the financial statements (continued)**  
**for the year ended 31 August 2021**

**11. Tangible fixed assets**

	Land and buildings	Plant and machinery etc	Totals
	£	£	£
<b>Cost</b>			
At 1 September 2020	1,129,120	935,465	2,064,585
Additions	14,195	164,020	178,215
Disposals	<u>-</u>	<u>(100,255)</u>	<u>(100,255)</u>
At 31 August 2021	<u>1,143,315</u>	<u>999,230</u>	<u>2,142,545</u>
<b>Depreciation</b>			
At 1 September 2020	270,900	549,868	820,768
Charge for year	22,840	109,103	131,943
Disposals	<u>-</u>	<u>(86,490)</u>	<u>(86,490)</u>
At 31 August 2021	<u>293,740</u>	<u>572,481</u>	<u>866,221</u>
<b>Net book value</b>			
At 31 August 2021	<u><u>849,575</u></u>	<u><u>426,749</u></u>	<u><u>1,276,324</u></u>
At 31 August 2020	<u><u>858,220</u></u>	<u><u>385,597</u></u>	<u><u>1,243,817</u></u>

Included in cost or valuation of land and buildings is freehold land of £500 (2020 - £500)

The Company is the Custodian Trustee of the Breckenbrough School Charitable Trust and also the sole Trustee entrusted to manage the affairs of that Charitable Trust which includes the permanent endowment property and investments as indicated in note 17 of these financial statements. Financial Reporting Statement 102 requires that the substance of an entity's transactions is reported in its financial statements.

This requires that the commercial effect of a transaction and any resulting assets, liabilities, or gains and losses are shown and that the accounts do not merely report the legal form of a transaction. Following this, the Company has included the freehold land and buildings, and investments subject to permanent endowment, within its Balance Sheet.

All fixed assets are held for continuing use in the Charity's activities.

The freehold land and buildings were professionally valued on 3 March 2020 on an open market basis at £2,280,000 by Barry Crux & Company Limited, Chartered Surveyors. The Trustees do not consider that the valuation would have changed significantly between this year end and the valuation date.

Notes to the financial statements (continued)  
for the year ended 31 August 2021

12. Fixed asset investments

By the Trust Deed, the investments are not subject to the limitations of the Trustee Investments Act. The investments represent a bank deposit account within the Endowed Funds (see notes 17 and 18).

13. Debtors: amounts falling due within one year

	2021	2020
	£	£
Trade debtors	1,249,480	926,994
Other debtors	<u>412,044</u>	<u>160,233</u>
	<u>1,661,524</u>	<u>1,087,227</u>

14. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	76,150	100,698
Taxation and social security	58,012	53,743
Other creditors	1,377,332	1,307,637
Pension scheme liability	<u>27,000</u>	<u>27,000</u>
	<u>1,538,494</u>	<u>1,489,078</u>

Other creditors comprised:	2021	2020
	£	£
Fees in advance	1,272,779	1,173,846
Pension scheme contributions	43,238	30,139
Accruals	58,558	101,016
Other creditors	<u>2,757</u>	<u>2,636</u>
	<u>1,377,332</u>	<u>1,307,637</u>

15. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Pension	<u>71,026</u>	<u>98,000</u>
	<u>71,026</u>	<u>98,000</u>

Notes to the financial statements (continued)  
for the year ended 31 August 2021

16. Operating lease commitments

At 31 August 2021 the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	42,220	42,220
Between one and five years	791	43,011
	<u>43,011</u>	<u>85,231</u>

17. Movement in funds

	At 1.9.20	Incoming resources	Resources expended	Gains, losses and transfers	At 31.8.21
	£	£	£	£	£
<b>Unrestricted funds</b>					
General fund	1,656,581	3,984,869	(3,203,969)	(599,856)	1,837,625
Designated fund	300,000	-	-	600,000	900,000
Capital grant	83,270	-	-	-	83,270
	<u>2,039,851</u>	<u>3,984,869</u>	<u>(3,203,969)</u>	<u>144</u>	<u>2,820,895</u>
<b>Restricted funds</b>					
DFC Grant	9,620	49,444	(49,444)	-	9,620
ESFA funding	-	833,182	(804,879)	-	28,303
	<u>9,620</u>	<u>882,626</u>	<u>(854,323)</u>	<u>-</u>	<u>37,923</u>
<b>Endowed funds</b>					
Foundation capital	84,579	-	-	-	84,579
Lone House capital	48,500	12	-	(12)	48,500
	<u>133,079</u>	<u>12</u>	<u>-</u>	<u>(12)</u>	<u>133,079</u>
Total funds	<u>2,182,550</u>	<u>4,867,507</u>	<u>(4,058,292)</u>	<u>132</u>	<u>2,991,897</u>

**Notes to the financial statements (continued)  
for the year ended 31 August 2021**

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**17. Movement in funds (continued)**

**Capital grant - unrestricted**

This is a designated fund which represents a capital grant which was received from the Department for Education and Skills and may be repayable in the event of the closure of the School.

**DFC Grant**

The DFC grant is amounts received for capital funding to be used for improvements to buildings and other facilities, including ICT, or capital repairs and refurbishment. The transfer to unrestricted funds represents the amount spent in the year on capital items using this grant.

**ESFA funding**

These monies were received from the Education and Skills Funding Agency for the education and support activities of the school and were fully utilised in the year.

**Endowed funds**

The Foundation capital represents the original endowment to provide for the establishment of the Charity. The Lone House capital represents the replacement under a recoupment order of sums expended following the sale of the property known as Lone House. The amount outstanding at the year-end under the order amounted to £48,500, which represents the original value. The investment generated £12 of interest during the year which has been transferred to unrestricted funds.

**Designated funds**

**Designated funds at 31 August 2021 comprise of:**

£550,000 construction fund to be used for classroom maintenance and in creation of a new building within the grounds that will allow us to deliver our therapeutic provision in a purpose-built area allowing space, quietness and privacy for all our students. The fund is expected to be spent over the next 12 months. A further £250,000 was designated to this fund in the year.

£200,000 classroom fund. The school has identified the need for one more classroom space as student numbers increase. This was all designated in the year.

£150,000 alternative site provision. These funds have been designated in the year to help fund an enhancement to the school's current provision on an alternative site. The funds will be used to equip the facility to ensure it is fit for purpose.

Notes to the financial statements (continued)  
for the year ended 31 August 2021

## 18. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total funds £
Fixed assets	1,182,125	9,620	84,579	1,276,324
Investments	270	-	48,500	48,770
Current assets	3,248,020	28,303	-	3,276,323
Current liabilities	(1,538,494)	-	-	(1,538,494)
Long term liabilities	<u>(71,026)</u>	<u>-</u>	<u>-</u>	<u>(71,026)</u>
	<u>2,820,895</u>	<u>37,923</u>	<u>133,079</u>	<u>2,991,897</u>

## Prior year analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £
Fixed assets	1,149,618	9,620	84,579	1,243,817
Investments	261	-	48,500	48,761
Current assets	2,477,050	-	-	2,477,050
Current liabilities	(1,489,078)	-	-	(1,489,078)
Long term liabilities	<u>(98,000)</u>	<u>-</u>	<u>-</u>	<u>(98,000)</u>
	2,039,851	9,620	133,079	2,182,550

## 19. Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period	809,347	235,624
Adjusted for:		
Depreciation	131,943	87,911
Loss on disposal of fixed assets	13,765	3,205
Investment income	(12)	(323)
Decrease/(increase) in stocks	2,507	263
(Increase) in debtors	(574,297)	(112,179)
Increase in creditors	49,416	194,507
Pension scheme non-cash movement	<u>(26,974)</u>	<u>(24,000)</u>
	<u>405,695</u>	<u>385,008</u>

Notes to the financial statements (continued)  
for the year ended 31 August 2021

20. Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand	1,612,855	1,385,372
Cash held as investment	<u>48,770</u>	<u>48,761</u>
	<u>1,661,625</u>	<u>1,434,133</u>

21. Pension commitments

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in schools and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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 next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £304,855 (2020: £263,879). At the year-end £35,758 (2020: £30,139) was due to the scheme. No amounts were prepaid at either year end.

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

The Pensions Trust

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme 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

**Notes to the financial statements (continued)  
for the year ended 31 August 2021**

**21. Pension commitments (continued)**

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 company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 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 has asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 April 2019 to 30 September 2025:	£11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)
-----------------------------------------	-----------------------------------------------------------------------------------

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1st 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.

**Present value of provisions**

	Period Ending 31 August 2021 (£s)	Period Ending 31 August 2020 (£s)	Period Ending 31 August 2019 (£s)
Present value of provision	98,026	124,720	148,651

Notes to the financial statements (continued)  
for the year ended 31 August 2021

## 21. Pension commitments (continued)

## Reconciliation of opening and closing provisions

	Period Ending 31 August 2021 (£s)	Period Ending 31 August 2020 (£s)
Provision at start of period	124,720	148,651
Unwinding of the discount factor (interest expense)	605	1,305
Deficit contribution paid	(27,167)	(26,376)
Remeasurements - impact of any change in assumptions	(132)	1,140
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	98,026	124,720

## Income and expenditure impact

	Period Ending 31 August 2021 (£s)	Period Ending 31 August 2020 (£s)
Interest expense	605	1,305
Remeasurements – impact of any change in assumptions	(132)	1,140
Remeasurements – amendments to the contribution schedule	-	-
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

\*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

## Assumptions

	31 August 2021 % per annum	31 August 2020 % per annum	31 August 2019 % per annum
Rate of discount	0.63	0.55	0.97

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.

Notes to the financial statements (continued)  
for the year ended 31 August 2021

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**22. Capital commitments**

At 31 August 2021 £nil (2020: £27,089) capital expenditure had been contracted for. At 31 August 2021 there was no capital expenditure that had been approved but not yet contracted for (2020: £nil).

**23. Related party disclosures**

Some members of the governors/trustees also serve on the Board of the Charity, known as Beyond Breckenbrough, whose activities include assistance with transition from the school along with the provision of financial and other assistance to old boys of Breckenbrough School, directly or otherwise. During the year salaries of £11,329 (2020: £11,246) were recharged to Beyond Breckenbrough. At the year end the school was owed £66,777 (2020: £54,466) by Beyond Breckenbrough.

There were no other related party transactions during the current or preceding year.

**24. Ultimate controlling party**

Due to the diverse nature of the membership of the company, no one member has control over the company.

**25. Limited by Guarantee**

The company is limited by guarantee so has no share capital. The members have guaranteed to provide an amount of £1 in the event of the winding up of the company.

**BRECKENBROUGH SCHOOL LIMITED**

England & Wales - Charity number 1122269

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# Accounts

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Registered Company Number: 06223076 (England and Wales)  
Registered Charity Number: 1122269

**Breckenbrough School Limited**

**Report of the Trustees and Financial Statements  
for the Year Ended 31 August 2020**

**Breckenbrough School Limited**

**Contents of the Financial Statements  
for the Year Ended 31 August 2020**

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## Breckenbrough School Limited

### Report of the Trustees for the Year Ended 31 August 2020

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The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2020.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### Reference and administrative details

**Registered Company number** 06223076 (England and Wales)

**Registered Charity number** 1122269

**Registered office** Sandhutton  
Breckenbrough  
Thirsk  
YO7 4EN

#### Trustees

Judith Campbell	Deputy chair Resigned 15.11.2019
Alison Clarke	Chair
Ruth McTighe	Deputy Chair from 15.11.2019
Stefan Lewicki	
John Littlefair	
John Margham	
Kirit Gordhandas	Appointed 01.01.2021
Fleur Parker	Appointed 01.01.2021

#### Key Management Personnel

Headteacher	Simon Bannister
Deputy Headteacher	James Shutt
Head of Social Education	Stuart Edwards
Bursar	Sue Jones

#### Auditors

Saffery Champness LLP  
Mitre House  
North Park Road  
Harrogate  
North Yorkshire  
HG1 5RX

#### Solicitors

North Yorkshire County Council  
County Hall  
Northallerton  
DL7 8AD

**Breckenbrough School Limited**

**Report of the Trustees  
for the Year Ended 31 August 2020**

**Reference and administrative details (continued)**

<b>Bankers</b>	Barclays Bank plc 25 St James Street Harrogate HG1 1ZT
<b>Insurers</b>	Innovation Broking 20 St Dunstan's Hill London EC3R 8HL
<b>Co-opted Members</b>	Richard Clarke Sally Burton
<b>Staff Representative Governors</b>	Richard Kendrick
<b>Headteacher</b>	Simon Bannister
<b>Appointed by North Yorkshire County Council</b>	Robert Baker
<b>Parent Governors</b>	Carl Wright Daniel Hunter Appointed 12.06.2020

***Our vision is always to put the individual needs of the students first.***

**Aims, Objectives and Activities**

**Aims**

Breckenbrough School provides education and care for boys from 9 to 19 years of age. Each student at the school has an Education Health and Care Plan (formerly a Statement of Special Educational Needs) created by his funding Local Authority that identifies him as having complex needs such as Autistic Spectrum Condition. Authorities from many parts of the UK place students at Breckenbrough.

We aim to support our students to achieve two key goals during their time at Breckenbrough. Firstly, to be themselves, aspire and be successful. Secondly, to develop strategies and coping mechanisms to help them thrive in the neurotypical world.

**Objectives**

We review our aspirations and school improvement objectives along with the outcomes of the immense amounts of work done by staff. The Governors focus on the overall school improvement objectives. In individual cases, staff adapt their style to meet the outcomes within the education and care plans for students so that the school always responds as appropriately as it can to a student's specific needs. Done with care, this helps each student to improve on his own "previous best" performances in a range of subjects and social skills and to learn to take increasing responsibility for his own learning and development.

The school works as a "one team" approach. By integrating academic and social education with support mechanisms to meet specific individual needs, each element plays a vital role in providing a framework for helping the students to achieve their potential.

**Activities**

Students display a range of special complex needs. Some experience difficulties associated with Autism and may have been diagnosed with Autistic Spectrum Condition. Some have Attention Deficit Disorder, with some students being diagnosed with a more complex version, that of Attention Deficit Hyperactivity Disorder. Others are designated less specifically as experiencing Social, Emotional and Mental Health needs. The mix of need presented by the students covers a wide range of behaviours and barriers to learning, but most students are able, each at his own rate, to develop friendships and maintain positive working and learning relationships.

The staff are skilled in encouraging such development and work hard to promote it, showing great sensitivity towards students whose development is slower or more hesitant. The school uses small class sizes of no more than six and one-to-one tuition when needed, so that adequate attention is given to specific individual needs. There is an appropriate emphasis on outdoor activities, as these can support the practical and social aspects of learning, complementing the more abstract side which some students find harder.

Breckenbrough School provides education to GCSE and A level standard. Some of the education provision is offered through a third-party provider with our staff in support, which helps in the transition to independent living and higher education studies. The school also gives great attention to the students' physical, mental and spiritual welfare and helps students to develop positive relationships with peers and adults. The After-care provision, through Beyond Breckenbrough (rarely found elsewhere), continues to provide practical assistance to old scholars as well as help with career guidance and further development of life skills.

The School had an average number of 65 (2019: 63) boys on roll during the year.

**Report of the Trustees  
for the Year Ended 31 August 2020**

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**Public Benefit**

The Trustees have had due regard to guidance published by the Charities Commission on public benefit. The students' achievements are part of the benefit, in that we help to create and develop mature citizens. We regularly offer the school for summer school hire. We worked with a company called Campus Holidays who offer free holidays to under privileged children and those from deprived backgrounds. This was a very successful opportunity for both the school and campus and over 120 children to enjoy a holiday they would not normally have.

**Achievements and Performance**

The school has a long record of successfully changing the lives and behaviour of its scholars. Before coming to the school, a boy will frequently have been the cause of deep concern to parents and educators alike, and in numerous cases has been a "hard to place" student. Parents frequently tell us of the change in attitude displayed by their son after arriving at Breckenbrough, within months or even weeks. These kinds of dramatic changes in attitude have continued during the period of this report.

Ofsted inspected and reported on our residential provision in October 2019 and found the quality of provision and outcomes for residential students to continue to be outstanding. Great thanks are due to the Head teacher and staff who made this possible. However, as ever, we are not complacent. We aspire and are working towards a rating of 'Outstanding' for the school as an overall provision.

The last joint inspection of the school took place in November 2014, in which our overall rating was judged to be good, with some areas deemed to be outstanding. The school's academic provision had a Section 8 inspection in April 2018 and they reported that there is no change to the school's current overall effectiveness grade of good as a result of this inspection.

Of the students who graduated from the school in summer 2020, all made the successful transition to higher education, further education or some form of vocational placement or employment. This is the fifth year in succession where students had 100% successful transitions.

The school continues to develop and diversify the curriculum in order to provide a platform for every student to achieve, irrespective of their starting point and identified career path.

**Financial Review**

Finance is always a major consideration of the Board. Financial performance is monitored and assessed carefully.

Our income is almost entirely dependent on the number of pupils on roll. There was a grant in the year from DfE relating to capital and maintenance only of £19,190 (2019 £5,721) but in budgeting we do not assume its continuation. We set aside as far as we could a small quantity of 'liquid reserve' funds.

With reference to the surplus in the year which amounts to £235k, this was greater than budgeted. It is higher than expected due to the rising pupil numbers during the year. Staffing costs were kept to slightly below budgeted expectations without ruining the ratios of staff to students. The growth in student numbers during this accounting period was accommodated through spare teaching capacity and therefore avoided any increase in teaching costs.

Our policy is to invest when we can in funds and investments on a basis approved by the Charity Commissioners and that remain ethical.

**Report of the Trustees  
for the Year Ended 31 August 2020**

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We allow for regular strategic planning. Due to the nature of their needs, the number of boys starting and leaving the school each year varies, often at irregular points throughout the year. Our plan to continue to seek to increase the number of students to about 65 has been achieved and we plan to retain and continue at this average level in the years ahead now that we have received DFE approval for student numbers of up to 70. However, long-term budgeting remains a challenging exercise for the reasons detailed above. The Marketing Officer continues to ensure that Local Authorities and potential parents and their support groups, are kept well aware of our existence and of the benefits we offer so that referrals can be communicated through parental preference. This can be evidence as successful due to the length of the waiting list for new student places.

Modest increases in fee levels are necessary, these are only applied when new placements are agreed or at a change in key stages from 4 to 5. We remain keen to give Local Authorities best value for their investment in the student placements. This means sticking to practices that we know work for our students and thereby benefit their placing Authorities. High staff-to-student ratios continue to be needed for our work to be successful and student outcomes to be achieved.

In applying the requirement under FRS102, a liability has been recognised for the agreed future deficit payments on the pension scheme with Pensions Trust. The pension deficit recognised at the year-end was £125,000 (2019: £149,000).

We must note that the school has incurred higher pension contributions, due to the significant rise in employer's contribution levels in Teacher Pension Scheme (TPS) since 01 September 2019 (see note 22). To sustain this increased level of contribution in the forthcoming years will create significant pressure on the school's reserves. The increase in pension contributions for the year to 31 August 2020 amounts to circa £85,000. Non-Maintained Special Schools (NMSS) are 'not accepted' schools and as such they are required to participate in TPS. This was the finding in the Teachers' Pension Scheme: independent schools phased withdrawal consultation response issued in November 2020. As a NMSS we are in receipt of centrally funded government Teachers Pension Grants. The grants received only cover a proportion of the increased employer's pension contributions, in the year to 31 August 2020 we received 42.2% of the uplift and in the year to 31 August 2021 we have been notified we will receive 19.35% of the additional contributions. This will severely impact our ability to retain future fee increases below 3% for forthcoming years.

## **Structure, Governance and Management**

### **Legal status**

Breckenbrough School Limited was formed on 23 April 2007 and commenced trading on 1 September 2008. The School is a corporate registered charity (number 1122269). The Company is governed by its Memorandum and Articles of Association, as amended by special resolutions dated 21 November 2007 and 1 October 2008.

### **Recruitment and appointment of Governors**

Possible new Board members are approached informally, given information about the work of the Board, meet the Chair and Head Teacher to discuss their involvement, tour the school and, in most instances, attend Board or Committee meetings to learn about the business. Our practice is to issue newcomers with information regarding the charity's policies, constitution, meeting procedures, and an indication of their possible duties. Following appointment, new Governors receive an induction. During the year, the Board arranges regular in-house training sessions aimed at improving Governors' knowledge of the school and understanding of their roles. Where needed (e.g. in relation to Child Protection) specific information and/or training sessions are 'bought in' or attended outside school.

**Report of the Trustees  
for the Year Ended 31 August 2020**

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**Organisational structure**

In the year ended 31 August 2020 the Governing Body included six Trustees who were members of the Religious Society of Friends (Quakers) appointed by 'Quakers in Yorkshire', the body representing the Religious Society of Friends in the area. The Trustees served as Directors of the Company. The conduct of the School was under the direction of the Board in accordance with the purposes, character and ethos of the School as determined by the Trustees. There were six other members of the Board, one appointed by North Yorkshire County Council, two being parents of students who are in the school identified by the Head in consultation with parents elected by the parents, and two co-opted by the Board. In making decisions on all matters, successful efforts were made to achieve unity on the Board after the Quaker manner.

Appointments to the Board are for a period of four years, and there is an option to appoint for a second period.

**Committees**

There are two Committees reporting to the Board - an Education Committee and a Resources Committee that has finance, marketing, personnel and premises within its remit. Individual Governors take specific responsibilities for Health and Safety, Child Protection and for Careers. There is also a Strategy and Development Committee (made up of the full Board Chair, the Education Chair, the Resources Chair and members of the school Senior Leadership Team). All committees meet at least three times a year, following the same cycle each term leading up to the Full Governing Board meeting.

**Related parties**

Some members of the governors/trustees also serve on the Board of the Charity, known as Beyond Breckenbrough, whose activities include assistance with transition from the school along with the provision of financial and other assistance to old boys of Breckenbrough School, directly or otherwise. During the year the charity paid £6,389 as part of a combined policy which includes Trustee Indemnity Insurance. (2019: single cover policy cost £3,500).

**Key management personnel remuneration**

The trustees consider the board of trustees, Headteacher and the Senior Leadership Team as comprising the key management personnel of the charity, in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 9 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Bursar and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises. Neither the Trust nor any of the trustees have interests with other independent special schools but any such interests would be disclosed.

The pay of the Headteacher is reviewed annually and normally increased in accordance with average sector earnings. In view of the nature of the charity, the remuneration is bench-marked with similar establishments of a similar size and activity to ensure that the remuneration set is fair, and not out of line with that generally paid for similar roles.

**Pay policy for senior staff**

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the directors benchmark against pay levels in other special schools of a similar size run on a charitable basis. The remuneration bench-mark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 30% for any additional responsibilities.

**Report of the Trustees  
for the Year Ended 31 August 2020**

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**Reserves policy**

Wherever possible the Trustees try to build resilience within the balance sheet and the charity's aims are to increase reserves wherever possible to manage increases to salaries and pensions outside of the school's control.

The level of total funds at the year-end were £2,182,550 (2019: £1,946,926). The Trustees are pleased to report that the level of unrestricted reserves less unrestricted fixed assets as detailed in note 19, has increased from £828,029 in 2019 to £890,233 at 31 August 2020.

The Charity still aims to increase cash reserves through prudent management of overall expenditure, to enable a free cash reserve fund to be available to add to the stability of the School. The target level of reserves is based on 6 months of operating expenditure, which is approximately £1,500,000.

In assessing the ability of the school to continue as a going concern the Trustees are mindful of the future commitments and cash is monitored day to day and longer term. The Trustees are of the view that the charity is a going concern.

**Principal risks and uncertainties**

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Governors examine the principal areas of the School's operations and the major risks faced in each area. All school policies and internal systems are appraised regularly and strengthened and risks are minimised by the implementation as necessary of revised policies and procedures for the management of all activities including the authorisation of all transactions, projects and procedures. Most of the existing policy documents have been reviewed recently including Child Protection, Safeguarding, Health and Safety, Fire Risk Assessment and Emergency Procedures. The school also reviews its activities to respond to the requirements set by OFSTED. Recent OFSTED Inspections demonstrate the success of this approach.

During this accounting period particular risk management has been undertaken to minimise the risk posed by the global COVID pandemic. Guidance and directives from the Department of Education have been acted upon and policies and procedures have been amended to reflect the heightened risk to all in school. The Trustees are satisfied the major risks have been established and action taken to mitigate those risks.

**Fundraising**

The School co-ordinates low level fund raising activities for a range of local and national charities such as Children in Need, Red Nose Day, Save the Children etc. We also undertake fundraising to benefit the School as whole to support specific projects for new equipment for example. These are either led by the School or its employees. We are not registered with the fundraising regulator or with any professional fundraisers or commercial participants.

**Land and buildings**

The Trustees are of the opinion that the open market value of the land and buildings is materially in excess of book value. This can be evidenced by our most up to date valuation which was concluded in March 2020. Governors currently request that a valuation is undertaken every three years.

**Plans for the future**

The Strategy and Development group meet to consider plans to secure the longevity of the School's future. Open thinking is encouraged so as all angles can be considered. Senior leaders are active in keeping abreast of changes to Department of Education thinking and published strategy on SEND to feed into our considerations.

Current discussions and investigations centre around sustainability and how we can maintain our standing in the sector, whilst larger commercial enterprises continue to grow with the likes of Cambian, Witherslack Group and Priory either taking over smaller schools or developing additional provision. We must not be blinkered to these potential threats.

It is very evident that these current risks have been considered in the past by our trustees and that informed planning has stood the charity in good stead going forward. We need to remain focused and open to change. We are considering both the positive and negative impact of working collaboratively with other specialist providers as this is a preferred option rather than changing into an academy trust.

#### **Funds held as custodian for others**

The company is the Custodian Trustee of the Breckenbrough School Charitable Trust and also the sole Trustee entrusted to manage the affairs of that charitable Trust which includes the permanent endowment property and investments as indicated in note 11 of these financial statements. The Company has included the freehold land and buildings and investments subject to permanent endowment within its balance sheet.

#### **Statement of trustees' responsibilities**

The trustees (who are also directors of Breckenbrough School Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

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

In so far as the trustees are 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Breckenbrough School Limited

**Report of the Trustees  
for the Year Ended 31 August 2020**

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This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 5 March 2021 and signed on its behalf by:

A handwritten signature in black ink that reads "Alison Clarke". The signature is written in a cursive style with a large initial 'A'.

Alison Clarke

**Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited**

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**Opinion**

We have audited the financial statements of Breckenbrough School Limited for the year ended 31 August 2020 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 charitable company's state of affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

**Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited (continued)**

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**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 Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes 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 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report.

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

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

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

**Independent Auditor's Report on the Financial Statements to the Trustees of Breckenbrough School Limited (continued)**

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**Use of our report**

This report is made solely to the charitable company's members and the trustees, 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, the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Saffery Champness LLP*

.....  
Sally Appleton BA(Hons) FCA (Senior Statutory Auditor)  
For and on behalf of

Saffery Champness LLP  
Chartered Accountants  
Statutory Auditors  
Mitre House  
North Park Road  
Harrogate  
North Yorkshire  
HG1 5RX

16 March 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Breckenbrough School Limited

Statement of Financial Activities  
(including income and expenditure account)  
for the year ended 31 August 2020

		Unrestricted funds	Restricted funds	Endowment funds	2020 Total funds	2019 Total funds
	Notes	£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and legacies	3	867	32,203	-	<b>33,070</b>	23,552
Charitable activities	4	3,355,500	701,266	-	<b>4,056,766</b>	3,990,573
Other trading activities		1,366	-	-	<b>1,366</b>	7,600
Investments		-	-	323	<b>323</b>	318
Other	5	20,955	-	-	<b>20,955</b>	34,735
<b>Total</b>		<b>3,378,688</b>	<b>733,469</b>	<b>323</b>	<b>4,112,480</b>	<b>4,056,778</b>
<b>Expenditure on:</b>						
Raising funds		1,382	-	-	<b>1,382</b>	3,196
Charitable activities	6	3,141,005	733,469	-	<b>3,874,474</b>	3,792,889
<b>Total</b>		<b>3,142,387</b>	<b>733,469</b>	<b>-</b>	<b>3,875,856</b>	<b>3,796,085</b>
<b>Net income</b>		<b>236,301</b>	<b>-</b>	<b>323</b>	<b>236,624</b>	<b>260,693</b>
Transfers between funds	18	323	-	(323)	-	-
<b>Other recognised gains/(losses)</b>						
Remeasurement (loss) on pension provision		(1,000)	-	-	(1,000)	(15,000)
<b>Net movements in funds</b>		<b>235,624</b>	<b>-</b>	<b>-</b>	<b>235,624</b>	<b>245,693</b>
<b>Reconciliation of funds:</b>						
<b>Total funds brought forward</b>		<b>1,804,227</b>	<b>9,620</b>	<b>133,079</b>	<b>1,946,926</b>	<b>1,701,233</b>
<b>Total funds carried forward</b>		<b>2,039,851</b>	<b>9,620</b>	<b>133,079</b>	<b>2,182,550</b>	<b>1,946,926</b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes form part of these financial statements.

Breckenbrough School Limited

Balance Sheet  
as at 31 August 2020

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	11	1,243,817	1,070,397
Investments	12	<u>48,761</u>	<u>48,682</u>
		<b>1,292,578</b>	<b>1,119,079</b>
<b>Current assets</b>			
Stocks		4,451	4,714
Debtors	13	1,087,227	975,048
Cash at bank and in hand		<u>1,385,372</u>	<u>1,343,089</u>
		<b>2,477,050</b>	<b>2,322,851</b>
<b>Creditors</b>			
Amounts falling due within one year	14	<u>(1,489,078)</u>	<u>(1,372,004)</u>
<b>Net current assets</b>		<u><b>987,972</b></u>	<u><b>950,847</b></u>
<b>Total assets less current liabilities</b>		<b>2,280,550</b>	<b>2,069,926</b>
<b>Creditors</b>			
Amounts falling due after more than one year	15	<u>(98,000)</u>	<u>(123,000)</u>
<b>Net assets</b>		<u><b>2,182,550</b></u>	<u><b>1,946,926</b></u>
<b>Funds</b>			
Unrestricted funds – general	18	1,739,851	1,504,227
Unrestricted funds – designated		300,000	300,000
Restricted funds		9,620	9,620
Endowment funds		<u>133,079</u>	<u>133,079</u>
<b>Total funds</b>		<u><b>2,182,550</b></u>	<u><b>1,946,926</b></u>

The notes form part of these financial statements

The trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Board of Trustees on 5 March 2021 and were signed on its behalf by:



Alison Clarke  
Trustee

Registered company number 06223076

Breckenbrough School Limited

Statement of cash flows  
for the year ended 31 August 2020

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	385,008	471,302
<b>Cash flows from investing activities</b>			
Interest from investments		323	318
Purchases of property, plant and equipment		(264,536)	(56,360)
		(264,213)	(56,042)
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(78,433)	(26,891)
		(78,433)	(26,891)
<b>Change in cash and cash equivalents in the reporting period</b>		<b>42,362</b>	<b>388,369</b>
Cash and cash equivalents at the beginning of the reporting period		1,391,771	1,003,402
<b>Cash and cash equivalents at the end of the reporting period</b>	21	<b>1,434,133</b>	<b>1,391,771</b>

Analysis of changes in net debt

	At 1 Sept 2019 £	Cash flows £	At 31 Aug 2020 £
Cash	1,391,771	42,362	1,434,133
	<b>1,391,771</b>	<b>42,362</b>	<b>1,434,133</b>
Loans falling due within 1 year	(78,433)	78,433	-
	<b>(78,433)</b>	<b>78,433</b>	<b>-</b>
Total	<b>1,313,338</b>	<b>120,795</b>	<b>1,434,133</b>

The notes form part of these financial statements

**Notes to the financial statements (continued)  
for the year ended 31 August 2020**

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**1. Accounting policies**

**Accounting convention**

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Breckenbrough School Limited meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**Going concern**

In assessing the ability of the school to continue as a going concern the Trustees are mindful of the future commitments and cash is monitored day to day and longer term. The Trustees are of the view that the company is a going concern.

**Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably and are stated gross within the Statement of Financial Activities.

Fees receivable consists of charges levied for the provision of services for the year to 31 August 2020 in accordance with the Trust Deed.

Grants are recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Where the donor has imposed restrictions then the grant is treated as a restricted fund. Grants which are repayable if not utilised within a specific period are deferred until expended.

Incoming resources from endowment funds are unrestricted income.

**Resources expended**

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

Irrecoverable VAT is included in the SOFA in the cost of the expenditure incurred.

Notes to the financial statements (continued)  
for the year ended 31 August 2020

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**1. Accounting policies (continued)**

Costs of generating funds comprise the costs associated with attracting pupils, in order to generate income.

Education and training comprise the costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting with the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis, e.g. estimated usage.

**Tangible fixed assets**

Fixed assets are stated at historical cost.

No depreciation is provided on freehold land.

Depreciation is provided on all other tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:-

Freehold properties	2% - Straight line
Equipment, fixtures and fittings	20% - Reducing balance (except boilers 4% straight line)
Computer equipment	33.3% - Straight line
Motor vehicles	25% - Reducing balance

Leased assets are depreciated on a straight-line basis over the period of the lease.

Donated assets have been capitalised at estimated cost.

**Stocks**

Stocks are valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow-moving items.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Financial instruments**

The charity 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 measure at their settlement value with the exception of bank loans which are subsequently measured at amortised costs using the effective interest method.

**Notes to the financial statements (continued)**  
**for the year ended 31 August 2020**

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**1. Accounting policies (continued)**

**Fund accounting**

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

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

Endowment funds are restricted funds that represent a donation to the Charity with specific criteria that the Charity must follow.

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

**Hire purchase and leasing commitments**

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

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

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

The Charity contributes to the Teachers' Pension Defined Benefits 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.

In respect of non-teaching staff, the school contributes to a defined benefit scheme administered by the Pension Trust. 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.

Contributions to both schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

**Teaching costs**

Supplies of games equipment, books, stationery and sundry materials are written off to the general fund account when the expenditure is incurred.

Notes to the financial statements (continued)  
for the year ended 31 August 2020

## 2. Comparative SOFA

	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2019
	£	£	£	£
Donations and legacies	3,472	20,080	-	23,552
Charitable activities	3,398,687	591,886	-	3,990,573
Other trading activities	7,600	-	-	7,600
Investments	-	-	318	318
Other	34,735	-	-	34,735
Total	<u>3,444,494</u>	<u>611,966</u>	<u>318</u>	<u>4,056,778</u>
Raising funds	3,196	-	-	3,196
Charitable activities	3,180,923	611,966	-	3,792,889
Total	<u>3,184,119</u>	<u>611,966</u>	<u>-</u>	<u>3,796,085</u>
Net income	<u><b>260,375</b></u>	<u><b>-</b></u>	<u><b>318</b></u>	<u><b>260,693</b></u>

## 3. Income from donations and legacies

	Unrestricted funds	Restricted funds	Endowment funds	2020	2019
	£	£	£	£	£
Donations	867	6,025	-	6,892	3,472
Grants	-	26,178	-	26,178	20,080
	<u>867</u>	<u>32,203</u>	<u>-</u>	<u>33,070</u>	<u>23,552</u>

## 4. Income from charitable activities

	Unrestricted funds	Restricted funds	Endowment funds	2020	2019
	£	£	£	£	£
Fees	3,251,718	-	-	3,251,718	3,226,692
Recharges for other costs	97,509	-	-	97,509	168,428
ESFA	-	701,266	-	701,266	591,886
Other income and grants	6,273	-	-	6,273	3,567
	<u>3,355,500</u>	<u>701,266</u>	<u>-</u>	<u>4,056,766</u>	<u>3,990,573</u>

Notes to the financial statements (continued)  
for the year ended 31 August 2020

5. Income from other activities

	Unrestricted funds	Restricted funds	Endowment funds	2020	2019
	£	£	£	£	£
RHI and FIT income	16,668	-	-	16,668	23,991
School Trips	7,455	-	-	7,455	8,907
Computing and cycle to work scheme	(3,213)	-	-	(3,213)	1,503
Other	45	-	-	45	334
	<u>20,955</u>	<u>-</u>	<u>-</u>	<u>20,955</u>	<u>34,735</u>

6. Expenditure on charitable activities

	Direct costs	Support costs	2020	2019
	£	£	£	£
School	2,952,817	587,816	3,540,633	3,445,659
Welfare	16,282	-	16,282	52,837
Premises	317,559	-	317,559	294,393
	<u>3,286,658</u>	<u>587,816</u>	<u>3,874,474</u>	<u>3,792,889</u>

7. Support costs

	Management	Finance	Information technology	Human resources	Totals
	£	£	£	£	£
School	<u>488,498</u>	<u>17,940</u>	<u>78,535</u>	<u>2,843</u>	<u>587,816</u>

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

	2020	2019
	£	£
Wages	239,011	232,071
Social security	22,466	21,429
Pensions	13,565	15,102
Hire of plant and machinery	66,891	76,738
Insurance	48,845	47,211
Postage and stationery	36,708	37,658
Travelling and motor	29,429	45,669
Professional fees	27,841	17,184
Bank charges	3,354	5,099
Computer licences and IT	78,535	70,213
Recruitment	2,843	7,596
Governance	<u>18,328</u>	<u>19,121</u>
	<u>587,816</u>	<u>595,091</u>

Notes to the financial statements (continued)  
for the year ended 31 August 2020

8. Net incoming resources

Net resources are stated after charging:

	2020	2019
	£	£
Governors' travel	388	738
Auditors' remuneration	9,360	15,383
Auditors' remuneration for non-audit work	3,840	3,000
Depreciation - owned assets	87,911	83,025
Loss on disposal of fixed assets	3,205	6,301
Hire of plant and machinery	<u>66,891</u>	<u>76,738</u>

9. Trustees' remuneration and benefits

The charity trustees were not paid or received any other benefits from employment with the Charity in the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

Trustees' expenses

Travel expenses of £388 (2019: £738) were reimbursed to three (2019: four) Governors during the year.

10. Staff costs and the cost of key management personnel

	2020	2019
	£	£
Wages and salaries	2,385,442	2,183,326
Social security costs	227,977	205,268
Other pension costs	<u>331,652</u>	<u>210,728</u>
	<u>2,945,071</u>	<u>2,599,322</u>
Supply staff costs	61,836	207,400
	<u>3,006,907</u>	<u>2,806,722</u>

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

	2020	2019
Teaching and counselling	40	38
Domestic	7	12
Care	17	20
Administration	<u>8</u>	<u>12</u>
	<u>72</u>	<u>82</u>

Notes to the financial statements (continued)  
for the year ended 31 August 2020

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10. Staff costs and the cost of key management personnel (continued)

The number of employees included in the above whose emoluments, excluding pension contributions, exceeded £60,000 were as follows:-

	2020	2019
£60,000 to £70,000	-	-
£70,001 to £80,000	-	-
£80,001 to £90,000	<u>1</u>	<u>1</u>

Pension contributions paid into a defined benefit scheme for one member (2019: one member) of staff earning over £60,000 were £19,141 (2019: £12,659).

The key management personnel of the charity comprise the board of trustees, Headmaster and the senior leadership team. The total employee benefits of the key management personnel of the Trust were £420,439 (2019: £276,756).

## Breckenbrough School Limited

### Notes to the financial statements (continued) for the year ended 31 August 2020

#### 11. Tangible fixed assets

	Land and buildings	Plant and machinery etc	Totals
	£	£	£
<b>Cost</b>			
At 1 September 2019	974,149	874,798	1,848,947
Additions	154,971	109,565	264,536
Disposals	-	(48,898)	(48,898)
	<u>1,129,120</u>	<u>935,465</u>	<u>2,064,585</u>
<b>Depreciation</b>			
At 1 September 2019	251,168	527,382	778,550
Charge for year	19,732	68,179	87,911
Disposals	-	(45,693)	(45,693)
	<u>270,900</u>	<u>549,868</u>	<u>820,768</u>
<b>Net book value</b>			
At 31 August 2020	<u>858,220</u>	<u>385,597</u>	<u>1,243,817</u>
At 31 August 2019	<u>722,981</u>	<u>347,416</u>	<u>1,070,397</u>

Included in cost or valuation of land and buildings is freehold land of £500 (2019 - £500)

The Company is the Custodian Trustee of the Breckenbrough School Charitable Trust and also the sole Trustee entrusted to manage the affairs of that Charitable Trust which includes the permanent endowment property and investments as indicated in note 18 of these financial statements. Financial Reporting Statement 102 requires that the substance of an entity's transactions is reported in its financial statements.

This requires that the commercial effect of a transaction and any resulting assets, liabilities, or gains and losses are shown and that the accounts do not merely report the legal form of a transaction. Following this, the Company has included the freehold land and buildings, and investments subject to permanent endowment, within its Balance Sheet.

All fixed assets are held for continuing use in the Charity's activities.

The freehold land and buildings were professionally valued on 3 March 2020 on an open market basis at £2,280,000 by Barry Crux & Company Limited, Chartered Surveyors. The Trustees do not consider that the valuation would have changed significantly between this year end and the valuation date.

#### 12. Fixed asset investments

By the Trust Deed, the investments are not subject to the limitations of the Trustee Investments Act. The investments represent a bank deposit account within the Endowed Funds (see notes 18 and 19).

**Breckenbrough School Limited**

**Notes to the financial statements (continued)  
for the year ended 31 August 2020**

**13. Debtors: amounts falling due within one year**

	<b>2020</b>	2019
	<b>£</b>	£
Trade debtors	<b>926,994</b>	828,674
Other debtors	<b>160,233</b>	146,374
	<b><u>1,087,227</u></b>	<u>975,048</u>

**14. Creditors: amounts falling due within one year**

	<b>2020</b>	2019
	<b>£</b>	£
Bank loans and overdrafts	-	78,433
Trade creditors	<b>100,698</b>	54,808
Taxation and social security	<b>53,743</b>	50,713
Other creditors	<b>1,307,637</b>	1,162,050
Pension scheme liability	<b>27,000</b>	26,000
	<b><u>1,489,078</u></b>	<u>1,372,004</u>

Other creditors comprised:

	<b>2020</b>	2019
	<b>£</b>	£
Fees in advance	<b>1,173,846</b>	1,031,152
Pension scheme contributions	<b>30,139</b>	22,809
Accruals	<b>101,016</b>	48,779
Other creditors	<b>2,636</b>	59,310
	<b><u>1,307,637</u></b>	<u>1,162,050</u>

**15. Creditors: Amounts falling due after more than one year**

	<b>2020</b>	2019
	<b>£</b>	£
Pension	<b>98,000</b>	123,000
	<b><u>98,000</u></b>	<u>123,000</u>

**Breckenbrough School Limited**

**Notes to the financial statements (continued)  
for the year ended 31 August 2020**

**16. Operating lease commitments**

At 31 August 2020 the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>2020</b>	2019
	<b>£</b>	£
Within one year	<b>42,220</b>	35,785
Between one and five years	<b>43,011</b>	38,381
	<b><u>85,231</u></b>	<u>74,166</u>

**17. Secured debts**

The following secured debts are included within creditors:

	<b>2020</b>	2019
	<b>£</b>	£
Bank loans	<u>-</u>	<u>78,433</u>

The bank loan is secured by a legal charge over a property known as "The Lodge" at Breckenbrough School.

**18. Movement in funds**

	At 1.9.19	Incoming resources	Resources expended	Gains, losses and transfers	At 31.8.20
	£	£	£	£	£
<b>Unrestricted funds</b>					
General fund	1,420,957	3,378,688	(3,142,387)	(677)	<b>1,656,581</b>
Designated fund	300,000	-	-	-	<b>300,000</b>
Capital grant	83,270	-	-	-	<b>83,270</b>
	<u>1,804,227</u>	<u>3,378,688</u>	<u>(3,142,387)</u>	<u>(677)</u>	<b><u>2,039,851</u></b>
<b>Restricted funds</b>					
DFC Grant	9,620	32,203	(32,203)	-	<b>9,620</b>
ESFA funding	-	701,266	(701,266)	-	-
	<u>9,620</u>	<u>733,469</u>	<u>(733,469)</u>	<u>-</u>	<b><u>9,620</u></b>
<b>Endowed funds</b>					
Foundation capital	84,579	-	-	-	<b>84,579</b>
Lone House capital	48,500	323	-	(323)	<b>48,500</b>
	<u>133,079</u>	<u>323</u>	<u>-</u>	<u>(323)</u>	<b><u>133,079</u></b>
Total funds	<u>1,946,926</u>	<u>4,112,480</u>	<u>(3,875,856)</u>	<u>(1,000)</u>	<b><u>2,182,550</u></b>

**Notes to the financial statements (continued)  
for the year ended 31 August 2020**

**18. Movement in funds (continued)**

**Capital grant - unrestricted**

This is a designated fund which represents a capital grant which was received from the Department for Education and Skills and may be repayable in the event of the closure of the School.

**DFC Grant**

The DFC grant is amounts received for capital funding to be used for improvements to buildings and other facilities, including ICT, or capital repairs and refurbishment. The transfer to unrestricted funds represents the amount spent in the year on capital items using this grant.

**ESFA funding**

These monies were received from the Education and Skills Funding Agency for the education and support activities of the school and were fully utilised in the year.

**Endowed funds**

The Foundation capital represents the original endowment to provide for the establishment of the Charity. The Lone House capital represents the replacement under a recoupment order of sums expended following the sale of the property known as Lone House. The amount outstanding at the year-end under the order amounted to £48,500, which represents the original value. The investment generated £323 of interest during the year which has been transferred to unrestricted funds.

**Designated funds**

The Governors have made the decision not to designate any further funds in the year ended 31 August 2020. At 31 August 2020 £300,000 has been designated in total and is set aside to be used in creation of a new building within the grounds that will allow us to deliver our therapeutic provision in a purpose built area allowing space, quietness and privacy for all our students. The fund is expected to be spent over the next 12 months.

Notes to the financial statements (continued)  
for the year ended 31 August 2020

19. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £
Fixed assets	1,149,618	9,620	84,579	1,243,817
Investments	261	-	48,500	48,761
Current assets	2,477,050	-	-	2,477,050
Current liabilities	(1,489,078)	-	-	(1,489,078)
Long term liabilities	(98,000)	-	-	(98,000)
	<u>2,039,851</u>	<u>9,620</u>	<u>133,079</u>	<u>2,182,550</u>

	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £
Fixed assets	976,198	9,620	84,579	1,070,397
Investments	182	-	48,500	48,682
Current assets	2,322,851	-	-	2,322,851
Current liabilities	(1,372,004)	-	-	(1,372,004)
Long term liabilities	(123,000)	-	-	(123,000)
	<u>1,804,227</u>	<u>9,620</u>	<u>133,079</u>	<u>1,946,926</u>

20. Reconciliation of net income to net cash flow from operating activities

	2020 £	2019 £
Net income for the reporting period	235,624	245,693
Adjusted for:		
Depreciation	87,911	83,025
Loss on disposal of fixed assets	3,205	6,301
Investment income	(323)	(318)
Decrease/(increase) in stocks	263	1,246
(Increase) in debtors	(112,179)	(2,299)
Increase in creditors	194,507	143,654
Pension scheme non-cash movement	(24,000)	(6,000)
	<u>385,008</u>	<u>471,302</u>

Notes to the financial statements (continued)  
for the year ended 31 August 2020

21. Analysis of cash and cash equivalents

	2020	2019
	£	£
Cash in hand	1,385,372	1,343,089
Cash held as investment	<u>48,761</u>	<u>48,682</u>
	<u>1,434,133</u>	<u>1,391,771</u>

22. Pension commitments

Teachers' Pension Scheme

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in schools and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the

**22. Pension commitments (continued)**

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.

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 a remedy to the discrimination conclusion has been determined by the Employment Tribunal 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 employer's pension costs paid to TPS in the period amounted to £263,879 (2019: £169,813). At the year-end £30,139 (2019: £22,809) was due to the scheme. No amounts were prepaid at either year end.

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

**The Pensions Trust**

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme 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 company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 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 has asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

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From 1 April 2019 to 30 September 2025:	£11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)
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Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Notes to the financial statements (continued)  
for the year ended 31 August 2020

22. Pension commitments (continued)

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1st 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.

**Present value of provisions**

	Period Ending 31 August 2020 (£000s)	Period Ending 31 August 2019 (£000s)	Period Ending 31 August 2018 (£000s)	Period Ending 31 August 2017 (£000s)
Present value of provision	125	149	155	176

**Reconciliation of opening and closing provisions**

	Period Ending 31 August 2020 (£000s)	Period Ending 31 August 2019 (£000s)
Provision at start of period	149	155
Unwinding of the discount factor (interest expense)	1	2
Deficit contribution paid	(26)	(23)
Remeasurements - impact of any change in assumptions	1	3
Remeasurements - amendments to the contribution schedule	-	12
Provision at end of period	125	149

Notes to the financial statements (continued)  
for the year ended 31 August 2020

22. Pension commitments (continued)

Income and expenditure impact

	Period Ending 31 August 2020 (£000s)	Period Ending 31 August 2018 (£000s)
Interest expense	1	2
Remeasurements – impact of any change in assumptions	1	3
Remeasurements – amendments to the contribution schedule	-	12
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

\*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

Assumptions

	31 August 2020 % per annum	31 August 2019 % per annum	31 August 2018 % per annum	31 August 2017 % per annum
Rate of discount	0.55	0.97	1.68	1.20

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.

23. Capital commitments

At 31 August 2020 £27,089 (2019: £nil) capital expenditure had been contracted for. At 31 August 2020 there was no capital expenditure that had been approved but not yet contracted for (2019: £nil).

24. Related party disclosures

Some members of the governors/trustees also serve on the Board of the Charity, known as Beyond Breckenbrough, whose activities include assistance with transition from the school along with the provision of financial and other assistance to old boys of Breckenbrough School, directly or otherwise. During the year salaries of £11,246 (2019: £11,123) were recharged to Beyond Breckenbrough. At the year end the school was owed £54,466 (2019: £42,118) by Beyond Breckenbrough.

There were no other related party transactions during the current or preceding year.

25. Ultimate controlling party

Due to the diverse nature of the membership of the company, no one member has control over the company.

**26. Limited by Guarantee**

The company is limited by guarantee so has no share capital. The members have guaranteed to provide an amount of £1 in the event of the winding up of the company.