

STONYHURST

Trustees' Annual
Report and Accounts
YEAR ENDED 31 AUGUST 2022

COMPANY REGISTERED NUMBER
06632303 REGISTERED CHARITY NUMBER
1127929

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STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

BACKGROUND

Stonyhurst College is a Catholic school in the Jesuit charism. The Board of Trustees of Stonyhurst College present its report and consolidated financial statements for the year ended 31 August 2022 in accordance with the Companies Act 2006 and the Charities Act 2011, together with the audited accounts for the period. The Board of Trustees confirm that the latter comply with the requirements of the Companies Act 2006, the Charities Act 2011 and the Charities SORP (FRS 102).

Stonyhurst College is an independent, co-educational Jesuit boarding and day school set in 1,000 acres of Britain's most stunning countryside in the North West of England. Founded in 1593, the College has been welcoming and educating pupils from around the world for over 400 years. Set in a magnificent Grade I listed building, the College has a fascinating heritage, fine reputation and excellent facilities.

CHARITABLE OBJECTIVES

The charitable objectives of Stonyhurst are to:

- Advance the Roman Catholic religion; and
- Advance education by the provision of a day and boarding school, for girls and boys who may obtain instruction in academic, sporting, musical, scientific, vocational and social subjects, and association of other co-curricular activities.

CONSTITUTION

Stonyhurst was incorporated as a company limited by guarantee on 27 June 2008 and is registered as a charity.

It commenced to operate as an independent charity on 1 September 2009. The charitable company's governing document is the Memorandum and Articles of Association.

**STONYHURST TRUSTEES' ANNUAL
& STRATEGIC REPORT**

**KEY INFORMATION INCLUDING TRUSTEES,
MANAGEMENT PERSONNEL & SERVICE PROVIDERS**

CHARITY TRUSTEES & DIRECTORS

(All Trustees are Directors of Stonyhurst)
Mr A Chitnis (Chair)
Mrs C Keunen (Deputy Chair)
Dr A Brady (Appointed 1st September 2021)
Fr R Dawson SJ
Mrs J Dodd
Mr D Finn
Mr C Foulds
Mr S Glassbrook
Dr M Guzkowska
Mr G Lagerberg
Dr N B Mellows
Fr M Power SJ

KEY MANAGEMENT PERSONNEL

Headmasters	Mr J R Browne Fr C Cann (St Mary's Hall, SMH)
Bursar & Clerk to the Trustees / Company Secretary	Mr S P Marsden (resigned 31 st December 2022)
Finance Director/Company Secretary Clerk to the Governors	Mr S J Whitford (appointed 31 st December 2022) Mrs L Lord (appointed 20 th February 2023)

SOLICITORS

Employment Lawyers

Weightmans LLP
100 Old Mall Street
Liverpool
L3 3QJ

Education Lawyers

Veale Wasbrough Vizards LLP
Orchard Court
Bristol
BS1 5WS

Estate & Property Lawyers

Blackhurst Swainson Goodier LLP
10 Chapel Street
Preston
PR1 8AY

BANKERS

NatWest
Spinningfields Square
182 Deansgate
Manchester
M3 3LY

AUDITORS

RSM UK Audit LLP
Chartered Accountants
3 Hardman Street
Manchester
M3 3HF

STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

STRUCTURE, GOVERNANCE & MANAGEMENT

GOVERNING BODY

(Up to 13 appointed Trustees & 3 Foundation Members)

STANDING COMMITTEES

FINANCE & GENERAL PURPOSES

EDUCATION

SAFEGUARDING & WELLBEING

NOMINATIONS & GOVERNANCE

REMUNERATION

EXTERNAL AFFAIRS

LIBRARIES, ARCHIVES & COLLECTIONS

INTERNATIONAL

Finance & General Purposes Committee: Mr G Lagerberg (Chair) Mr A Chitnis Mrs J Dodd Mr S Glassbrook	Education Committee: Dr M Guzkowska (Chair) Dr A Brady Mr A Chitnis Mr C Foulds Dr N Mellows Fr M Power SJ	Safeguarding & Wellbeing Committee: Dr N Mellows (Chair) Mr C Foulds Dr M Guzkowska	Nominations & Governance Committee: Mrs C Keunen (Chair) Mr A Chitnis Fr R Dawson SJ Fr M Power SJ
Remuneration Committee: Mr A Chitnis (Chair) Dr M Guzkowska Mrs C Keunen Mr G Lagerberg	External Affairs Committee: Mr S Glassbrook (Chair) Mr D Finn Mrs C Keunen	Libraries, Archives & Collections Committee: Mrs C Keunen (Chair) Mr A Chitnis Mr D Finn	International Committee: Dr M Guzkowska (Chair) Mr A Chitnis Mr D Finn

The Governing Body operates with the support of the Standing Committees and working groups of Trustees and Executive. Meetings of the Governing Body are held termly, with any additional meetings convened when required.

The Trustee selection process aims to ensure that the Board collectively has the skills, knowledge and experience to fulfil its functions.

Trustees are recruited on the basis of nominations and selected when a post becomes available. The Governing Body look to ensure a mix of skills and diversity, and select new Trustees on the basis of background, competence, specialist skills and Christian commitment.

Trustees are provided with induction training by the Headmasters, Bursar and Clerk to the Trustees and staff and a wider programme of training events is organised by Stonyhurst College. The terms of office for Mr Chitnis, as both Governor and Chair of the Board, were extended beyond the nine year period until 31st October 2023 to ensure an appropriate transition for succession occurs and due to a number of strategic and environmental changes at Stonyhurst.

Where possible the Trustees consider that the skills and experience of the Board should comprise the following:

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

One Trustee may have one or more of these skills.

STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

The governance of Stonyhurst is accomplished through the requisite meetings of the Members and meetings of the Board of Trustees and its constituent committees. The day-to-day management of Stonyhurst is delegated to the two Headmasters and the Bursar and Clerk to the Trustees. They are all appointed by the Board of Trustees. Both Stonyhurst College and St Mary's Hall are subject to external inspection of education and pastoral care by various statutory bodies.

The remuneration of key management personnel is set by the Board through the Remuneration Committee, the policy objective being to encourage enhanced performance and to reward individuals fairly for their specific contributions to the overall success. The Remuneration Committee have access to the Association of Governing Bodies of Independent Schools who publish annual Independent Schools benchmarking results when making any recommendations on remuneration. The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that Stonyhurst remains sensitive to the broader issues of pay and employment conditions elsewhere. Delivery of Stonyhurst's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

SUBSIDIARY COMPANIES AND RELATED PARTIES

Stonyhurst has a wholly-owned non-charitable subsidiary, Stonyhurst College Developments Ltd, undertaking commercial activities which do not conflict with the educational and religious character of the school. Its annual profits, where possible, are donated to Stonyhurst under the Gift Aid scheme and the results of this subsidiary are included in the consolidated financial statements.

Stonyhurst is also the sole corporate trustee for the Stonyhurst Charitable Fund, whose primary purpose is to provide educational grants. The results of this subsidiary are included in the consolidated financial statements.

Stonyhurst is also the sole corporate trustee for the Stonyhurst International Limited, which remains registered as a dormant company.

Stonyhurst has trustee representatives on the board of the following independent charities: The Christian Heritage Centre at Stonyhurst and the Stonyhurst Foundation.

EMPLOYMENT POLICY AND ENGAGEMENT

Stonyhurst is committed to promoting equal opportunities in employment. All employees and any job applicants receive equal treatment regardless of age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion or belief, gender or sexual orientation.

Stonyhurst's employment policy clearly sets out our approach to equal opportunities and the avoidance of discrimination at work. It applies to all aspects of employment, including recruitment, pay and conditions, training, appraisals, promotion, conduct at work, disciplinary and grievance procedures, and termination of employment.

Consultation with employees, or their representatives, is continuous and aims to reflect the views of employees when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of Stonyhurst through regular staff training days and information.

Engagement with suppliers, customers and others in a business relationship with Stonyhurst

Stonyhurst seeks to engage actively and positively with all stakeholders in the local community and in the wider educational landscape. Collaborative relationships with suppliers, parents, educational partners and community leaders are key to achieving success in all the group's operations.

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

- Regular communication and engagement with parents, and prospective parents, to enhance the understanding of the provision to each student and to fully coordinate support to students from parents and school.
- Engagement with other educational organisations and partners at local and national levels to share best practice and provide peer support.
- Active dialogue with the local council on matters that impact children and families in the community or relate to operation of the school.
- Engaging with local businesses to promote career and educational opportunities for pupils for their mutual benefit.
- Seeking all possible opportunities to engage with local suppliers in the school area.
- Seeking regular communication with all suppliers and ensuring good commercial practices of prompt payment and clear communication to optimise arrangements for supply of goods and services to the school.
- Stonyhurst has fully adopted the government's policies and guidance during the COVID-19 pandemic and has sought to maximise its support to all suppliers through the crisis in order to sustain their support and services in the future.
- Promoting and encouraging pupil opportunities to engage in local voluntary schemes and other projects to support the wider community.

STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees have identified the principal risks to which Stonyhurst is exposed, several of which arise out of the continuing uncertain economic environment.

Principal risks:

- Pupil recruitment
- Reputation risk (through an adverse incident)
- Poor academic results
- Adverse financial performance
- Political threat
- VAT on fees and charitable tax

These risks are mitigated and managed as follows:

- Monthly monitoring of financial resources and forecasting performance. Key performance indicators include pupil numbers, staffing costs and cash flow.
- Maintaining high standards of education throughout both schools.
- Control of key financial systems.
- Appropriate and sufficient insurance cover.
- Maintaining high standards in the care of the fabric of the Estate.
- Encouraging ownership within the staff body of published policies and procedures for health and safety, pastoral care and best professional practice and safeguarding.
- Maintaining a programme of training for Trustees and staff and encouraging regular visits to school activities by Trustees.
- Continuous review of strategic plans and detailed annual budgets.
- The holding of substantial reserves within our investment portfolio.

Through the College's risk management processes, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary.

STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

OBJECTIVES AND ACTIVITIES

In the provision of its charitable objectives, Stonyhurst seeks to meet the public benefit requirements of the Charity Commission. In confirming its objectives, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. Stonyhurst provides financial assistance to over 300 students by means of Bursaries and Scholarships.

The principal activity of Stonyhurst is the provision of education for boys and girls aged between 3 and 18 years of age. As a boarding and day school Stonyhurst is resolutely faithful to the teachings of the Roman Catholic Church and to the educational principles of the Society of Jesus. We are proud of our Catholic heritage, pedagogy and tradition.

Stonyhurst is committed to promoting Jesuit values and is world-famous as a centre of excellence in the Jesuit tradition.

Stonyhurst continues to welcome young people and staff of all Christian traditions and faiths, encouraging them to participate in the rich and vibrant spiritual life of the school.

The student body has always been drawn from a global and diverse community which enriches the education and co-curricular activities of the pupils. The 2021-22 academic year ended with over 796 pupils across both schools, from more than 30 nationalities.

This international dimension is reflected in Stonyhurst's links with other Jesuit schools, as well as the wider Stonyhurst 'family' throughout the world. Two thirds of our pupils are Roman Catholics, while one third of them join us from overseas. You will find Stonyhurst alumni serving others and in leadership roles around the world.

OUR MISSION:

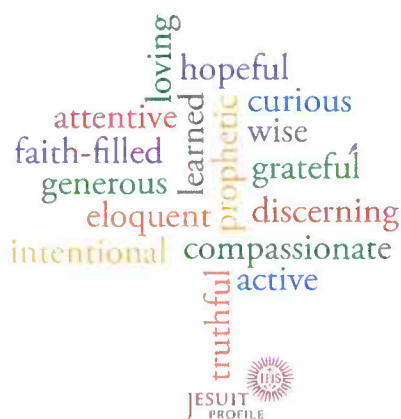
Stonyhurst is a Jesuit, Catholic School with a tradition of **excellence** that seeks to develop the **full human potential** of its pupils to live lives of **faith and justice as citizens of the world**.

OUR VISION:

Through our mission, values and identity, we thrive. Our pupils and our people, all that they can be. '*Quant Je Puis*'.

OUR WAY OF PROCEEDING:

Our aim is to form 'men and women for others' by living out the virtues in the Jesuit Profile.



Alongside the international atmosphere cultivated at Stonyhurst, we are equally invested in enabling young people from low-income backgrounds access to a Stonyhurst education, breaking barriers to social mobility.

Stonyhurst is an integral part of the wider community and plays an important role in promoting and supporting Lancashire as a place to live, work and visit. We continue to play a part as a major employer in the Ribble Valley, as well as supporting a multitude of local and regional service providers. As a consequence of the organisation's operations, the annual payroll taxes generate in excess of £3m.

STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

STRATEGIC REPORT

ACHIEVEMENTS & PERFORMANCE

This year was characterised by the Jesuit phrase 'one foot in the air', always ready for the next challenge. It has been a year that has shown the agility and creativity of all our staff to help each young person to become the best version of themselves.

We have also seen the resilience of our children and young people as they dealt with this completely unforeseeable disruption to their lives and their education.

Reflecting on their achievements and those of our staff in supporting them brings to mind a theme from Let Us Dream by Pope Francis. In it he speaks about these times we have lived through as an 'overflow moment', like when a great river bursts its banks and floods the surrounding land.

The waters will recede, but the land will be forever changed, and so it will be with Stonyhurst. In this academic year, we had to be creative and agile in a manner befitting the long history of this school, which had to move three times before arriving here because of turbulent times on the continent.

The achievements and performance of Stonyhurst College and Stonyhurst St Mary's Hall Preparatory School have been divided into our four strategic themes:

1. Academic Excellence
2. Faith that does Justice
3. Perspectives and Horizons
4. Accessibility and Sustainability

STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

I. Academic Excellence

'The world is charged with the grandeur of God'
Gerard Manley Hopkins SJ

Stonyhurst College

The summer 2022 examination results are the first set of grades from formal examinations since 2019. 2022 examinations were adapted to reflect the disruption caused by the 2-year pandemic. Grading was also adapted to reflect a mid-way point between 2021 – 2019 results. We knew that grades nationally would be better than in 2019 but not as high as in 2021.

Pupil feedback from the examinations was generally positive, at all levels. The examinations were accessible despite the considerable disruption during the pandemic. However, the increase in pupil mental health issues, particularly anxiety and exam related stress, was apparent in the increased number of requests for special consideration.

Despite the challenges, Stonyhurst returned a very commendable set of examination results at all levels, which significantly exceed national averages. DfE Performance data places Stonyhurst's 2022 Higher Line provision in the top 17% in the country.

GCSE:

9-7	47.25%
9-4	92.85%

A Level:

A*	17%
A*/A	41%
A*/B	67%
A*/C	83%

IB Diploma

100% pass rate (world average 89%)
Average points score 34 (world average 32.9)

CTEC

100% pass rate with all grades at D*D* (Double Distinction*) or DD* (Distinction, Distinction*)

St Mary's Hall

Pupil achievement in the core subjects of English and Maths continues to be impressive. Mean CAT data upon entry to SMH places the majority of our pupils firmly in the average stanine of ability. However, end of year summative standardised data places as many as a quarter to a third of our children, in certain cohorts, above the nationally expected level in both English and Maths.

A selection of our most academically able Rudiments pupils this year were invited to study a third language during Year 8 and take on German. Pupils in Rudiments study a maximum of two languages normally, but this small group of talented linguists receive additional provision.

The use of technology within our classrooms continues to gather pace since the pandemic and success of 'Stonyhurst Anywhere'. Every child from Lower Elements to Rudiments has their own Stonyhurst supplied device, and this is helping to inspire new innovative practice both inside the classroom and in parallel during studies. The use of Artificial Intelligence software such as Century Tech now provides an individual and personalised learning experience for each of the children in the senior part of the school in English, Maths and Science. Our intention is to rollout this technology further down the school into KS2 in the academic year ahead.

In Maths, one of our senior pupils entered the UK Maths Challenge, one of top Mathematicians won a gold award but more impressively on World Maths Day this year scored 484 points which placed him best in school, 25th best in the UK and 150th in the world! In parallel, we also had two pupils invited to take part in the Kangaroo National Maths Challenge.

In the creative subjects we have also achieved success both locally, regionally and nationally. The Lions Clubs International Peace Poster competition invited children from across the UK to take part. One of our pupils came 1st representing the Whalley Area at Northwest Level. Her poster then went on to win at Northwest level and represented the Northwest at UK and Ireland level finally finishing a very impressive 3rd.

In the lower part of the school, we utilise continuous provision tables in classrooms. All activities on these tables provide opportunity for extending learning linked to Maths and English and this also incorporates self-directed learning. Our Co-curricular activities are linked to stretch and challenge, motorising Lego, chess etc. We have also implemented a weekly Latin Club for very bright Year 4 /5 children. In Science in Figures and Rudiments, the children have been undertaking individual and small group projects such as building our own SMH wind tunnel project. Pupils increasingly can be fluid in learning e.g. working on learning objectives and tasks from a higher year group.

STONYHURST TRUSTEES' ANNUAL

& STRATEGIC REPORT

2. Faith that does Justice

'The glory of God is a human being fully alive'

St Irenaeus

Stonyhurst College

'Stonyhurst is a Jesuit, Catholic School with a tradition of excellence that seeks to develop the full human potential of its pupils to live lives of faith and justice as citizens of the world'.

Following a careful discernment, a new mission statement was agreed to focus and renew our mission as Jesuit educators.

During the year Stonyhurst College and Stonyhurst St Mary's Hall took part in a pilot *Catholic Framework Inspection* by the Diocese of Salford. Inspectors observed that the sense of 'men and women for others' was observed in every area of school life'. The judgment on our Catholic life and mission was outstanding and that prayer and worship was 'breadth-taking' in its quality and variety.

Rhetoric 2022 left the remarkable legacy of the St Aloysius Bursary.

St Mary's Hall

We marked "Ignatius 500", the special jubilee year (from May 2021 to July 2022) celebrating the 500th anniversary of the conversion of St Ignatius, with a visit from the Ignatius 500 Story Box, a powerful one-man play on the life of St Ignatius and his impact, which was much enjoyed by St Mary's Hall pupils.

Later in the term, and inspired by the COP26 gathering in Glasgow, our pupils were encouraged to reflect more deeply upon "caring for our common home", as expressed in Pope Francis' encyclical, *Laudato Si*. SMH's 'Care for our Common Home' committee led the whole school in the 'Be Bold, Boris' petition, initiated by Jesuit Missions, in which pupils were encouraged to petition the Prime Minister to take bold action to tackle climate change, heal the natural environment and alleviate the plight of those who suffer most, the poor.

As citizens of the world, our pupils enjoyed many opportunities to interact and connect with schools across the globe. Whether it was the Educate Magis global prayer link which enabled the sharing of Christmas traditions with schools and pupils in India, the Philippines, Italy and Spain, or Chaplaincy Team's regular video calls with pupils in Kampala, Uganda, through the Xavier Project, which were at long last able to resume, post-pandemic, our pupils were able to gain a powerful and enriching insight into the experiences of their counterparts overseas.

Our weekly masses continued throughout the year, albeit at the start of the academic year only being celebrated in playroom groups and streamed to other classes. The year ended, however, with a welcome return to normality and everybody being able to come together for mass once more. A wonderfully uplifting First Holy Communion mass, attended by the whole school community, was the centrepiece of SMH Parents' Weekend at the close of the academic year.

3. Perspectives and Horizons

'Be who God wants you to be and you will set the world on fire'

St Catherine of Sienna, Patron of Youth, Diocese of Salford

Stonyhurst College

Stonyhurst seeks to be a school with a global outlook. Trips and visits restarted following the pandemic and ranged from the Model United Nations Competition in Oxford to the Computer Science department visit to Google in California. Visiting speakers included Maggie Nicholson the Deputy Director of the Human Rights Commission in New York to Mark Thompson OS, a former CEO of the *New York Times* and Director General of the BBC, taking about 'making sense of the media revolution'.

Educational partnerships have always been important to Stonyhurst. We were delighted to be nominated as a hub for the *National Schools Singing Partnership*. Stonyhurst is the only school so far to be selected for the project amongst thirty-one Catholic cathedrals.

Stonyhurst International School Penang, Malaysia will open on 26th September 2022.

St Mary's Hall

It was a special Jubilee year, celebrating the 500th Anniversary of the conversion of St Ignatius which began in May and continued until the end of July 2022, the date of his feast day. The 12th March marked the date of the 400th anniversary of his canonisation – when he was declared "Saint". In November we welcomed the Ignatius 500 story box visit: a one-man play about the saint and a reflection (through Godly Play) on his life and impact. This was followed by the Ignatius art competition for UK Jesuit schools on the theme of transformation, and work was submitted from our winning entries across the key stages.

As part of the COP26 (United Nations Conference of Parties) that took place in Glasgow from the 1st to the 12th November, our pupils were invited to be part of the JM Be Bold Boris petition, which urged the then Prime Minister to take bold actions to tackle climate change.

During Lent our pupils supported CAFOD's Walk Against Hunger Campaign and our Figures' Fair raising £2,000 to purchase laptops for the Xavier Project, established for the education of refugees in Uganda and Kenya.

Four Upper Elements pupils attended the Ignite Conference, hosted by Barlborough Hall School. The theme was Ignatius 500 – a man for our times.

At the Rudiments Fair during our summer term parents weekend, our Year 8 pupils raised over £3,000 to help fund Nightsafe's Anchor Avenue Project (to furnish a house, locally, for young homeless 16-24 year-olds).

STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

4 Accessibility and Sustainability

'We come together to take charge of this home which has been entrusted to us'
Laudato Si, Pope Francis 2015

Our commitment to broaden the accessibility of a Stonyhurst education to as wide a constituency as possible was strengthened by the creation of The Stonyhurst Foundation as a new independent charity with the single aim to fund bursaries.

The school has always provided generous bursary support from within our own funds as part of our aspiration to influence the influencers and educate those who will flourish here, regardless of their means. To build a sustainable fund and expand the reach of the programme, we are now providing funds for over 25 pupils in both the College and St Mary's Hall through The Stonyhurst Foundation.

In parallel with this, we have been developing relationships with primary and junior schools to build awareness of this opportunity with our Prep School engagement strategy.

This year also saw investment in both the quality of teaching and learning as well as facilities, both academic and boarding, but the Trustees remain conscious of the need for careful management to balance return and investment. We believe that the high quality of our offer brings a strong experience for young people which in turn builds reputation and high levels of pupil recruitment.

Sustainability goes beyond the future of Stonyhurst and 'care of our common home' is a priority for our young people.

This year we also passed an Independent Schools Inspectorate (ISI) Material Change visit in order to welcome a record roll of over 800 pupils.

As detailed in the Financial Review, Stonyhurst undertook an energy reduction strategy and while this was delayed due to the impact of COVID-19, we are committed to delivering significant carbon savings wherever possible through our continued end of life replacement of light sources with LED alternatives and replacement of equipment with modern energy efficient alternatives.

STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

How the Board Complies with its Section 172 Duty

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

The likely consequence of any decision in the long-term

Stonyhurst makes all key decisions through reference to its long-term strategic plan and after projecting the timing and impact of such decisions. This strategy is primarily designed around the objective to improve educational outcome for students, but every decision and operational approach is regularly reviewed for its impact on all stakeholders and the need for any changes or modifications to decisions previously taken.

The interests of the company's employees

Our employees are vital to Stonyhurst, and we regularly review and update our communication channels as we emerge from COVID-19. The importance of regular ongoing engagement with all staff is a top priority. We measure employee engagement through regular feedback and joint communication sessions. We address any issues raised by our employees as quickly as possible and communicate back to them what we have done. All staff are offered access to a number of well-being support services, and Stonyhurst seeks to ensure that staff welfare is actively considered and addressed. Through our health and safety policies, as well as through local staff committees, we also actively seek to ensure that the working environment meets due high standards of safety and security.

The need to foster the charitable group's business relationships with suppliers, customers, and others

Our relationships with partners and suppliers are key to our effectiveness. Stonyhurst actively seeks to engage in service reviews with all key suppliers. These reviews are focussed on a two-way relationship with Stonyhurst based on an aim of helping one another to achieve an optimum service as efficiently as possible and according to the best value for money. Where Stonyhurst has procured outsourced services, we seek to ensure that staff and management from that contractor are supported as an equal member of the school community.

The impact of the charitable group's operations on the community and the environment

We recognise our responsibility to care for the environment and aim to minimise our environmental impact in all our activities. As well as covering environmental issues in our school's curriculum, Stonyhurst encourages all staff and students to participate in initiatives to reduce negative environmental impacts. These include the promotion of recycling of waste and actions to maximise efficiency in energy consumption.

The desirability of the company maintaining a reputation for high standards of business conduct

Our reputation and public trust in our school is fundamental to our future success. We use our organisational values and behaviours in our recruitment and training for our employees to ensure that we maintain high standards, and these are used in our appraisal processes. Our procurement and ethical policies and procedures ensure that our values are also part of our selection of partners and suppliers.

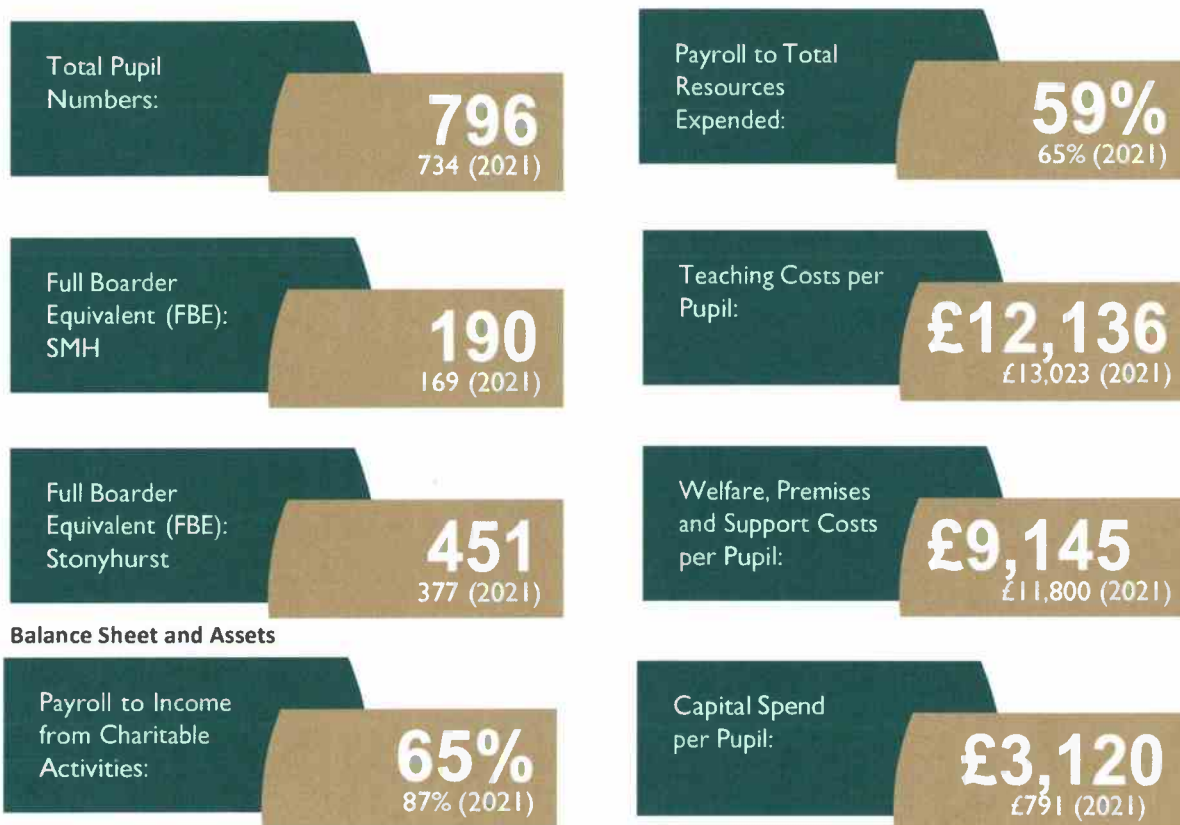
STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

FINANCIAL REVIEW

As an educational charity, we enjoy tax exemption on our educational activities, investment income and gains, provided these are applied to our charitable aims, and we are also entitled to an 80% reduction on our business rates of the property we occupy for our charitable purposes.

The financial benefits we receive from these tax exemptions are all applied for educational purposes and help us maintain our bursary funds, though we are unable to reclaim VAT input tax on the school's costs, as these fees are exempt for VAT purposes.

In addition to the very substantial benefits our school brings to our pupils, the local community and society through the education we offer, our bursary programme and community benefits programme provides a social asset without cost to the Exchequer.



Through the ongoing development and management of the 3-year Financial Plan and monthly management accounts, the Trustees consider that substantial progress has been made in protecting the finances of Stonyhurst.

STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

Stonyhurst has successfully navigated its way through the challenges of the various Covid lockdown challenges over the past two years and has emerged in a stronger trading position. The stronger trading position is due to an increase in our campus pupils on roll increasing from 734 pupils to 796 pupils for the 2021/22 year. The increased pupil numbers have continued at similar into the 2022/23 year.

The award of bursaries and continual investment in the maintenance and improvement of the grounds and heritage buildings of the whole estate continue to make sizeable demands on the College's finances.

The Trustees are minded of the long-term commitment to retain a strong, unrestricted balance sheet to provide for future bursaries, capital development and contingency reserves. This is being achieved by careful monitoring of the trading performance and also reviews of asset class and yield.

The schools' charitable costs are tightly controlled through careful budgeting, linked to short, medium and long-term financial plans, in line with the planned expenditure levels at the start of the year. The Trustees have invested heavily in the infrastructure of the schools' buildings and resources over the last five years with the aim of 'Investing in Education'.

First thirteen years of the Trust

This financial year marks 13 years since Stonyhurst became an independent charity and a company limited by guarantee in September 2009, and in that time, investments in the school campus, land and buildings have totalled more than £30m. This is in addition to the annual general maintenance budgets of circa £700k per annum.

£20m of the £30m invested in the Stonyhurst campus buildings was capitalised within the balance sheet of Stonyhurst, which included investment in educational & residential accommodation, ICT infrastructure and plant & machinery. The remaining £10m was charged through the revenue account in the year it was incurred. All of these developments enabled us to accommodate and educate over 550 pupils at the College and 300 pupils at St Mary's Hall.

Trading

As a result of successfully navigating the Covid challenges over the last few years we can report a stronger trading position for the Charity.

Net School Fee income increased from £14m (2021) to £18.4m (2022) due to increased pupil numbers and the increased bursary grant from the Stonyhurst Foundation from £480k (2021) to £637k (2022).

Other ancillary income increased from £357k (2021) to £853k (2022) due to increased pupil numbers and also the return after 3 years of the Stonyhurst Summer Language School.

The trading company income increased from £69k (2021) to £127k (2022) now that Covid restrictions had been removed and the sports facilities have been back operational again.

Donations and Fundraising increased from £668k (2021) to £967k (2022) due to a larger bursary grant from the Stonyhurst Foundation.

Investment income increased from £746k (2021) to £807k (2022) from an increased dividend return on the equity investments that are held.

Other income reduced, profit on sale on fixed assets reduced from £150k (2021) to £1k (2022) due to no major sales in the year. A final claim was made on the Government CJRS reducing from £439k (2021) to £5k (2022).

The above trading has resulted in income increasing from £16.4m (2021) to £21.2m (2022).

The total expenditure has increased from £19.5m (2021) to £22.1m (2022) due to education, welfare and premises costs increasing in line with pupil number expansion.

The Charity Group net movement in funds for 2021/22 showed a deficit of £2.3m. This consisted of a trading deficit of £900k and an unrealised loss on investment assets of £1.4m as at 31st August 2022.

STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

Cash Flow

We have not needed to utilise the Jesuit Trading Loan due to the improved trading post Covid, but still hold the £2m as a contingency measure, this is held within our investment assets in cash equivalent funds.

Cash flow is constantly being reviewed in line with the charity's trading to ensure that the correct facilities are in place that protects the balance sheet and investment portfolio, as well as enabling the servicing of short and medium-term debt.

Investments

The 3-year strategy policy of Access, Income and Growth for the portfolio was in place until December 2021, with the Trustees monitoring the ongoing performance of the growth funds invested with the three fund managers, CCLA, Cazenove and Newton. The Trustees are mindful of the extra borrowings that have been taken on due to Covid and have decided that the equity investments will be kept within the Growth fund for the foreseeable future.

The unrealised loss on investments in the year are £1.4m (2021; £6.2m gain). The Charity investments held are vital in providing the required bursary and building maintenance support required for Stonyhurst to be sustainable in the future.

Listed investments at year end are £38.6m (2021; £41.6m) a reduction of £3m due to an unrealised loss of £1.4m and a cash drawdown of £1.6m to fund Capital Expenditure projects in the year.

Capital Expenditure

Due to the positive pupil numbers and increased demand in Stonyhurst boarding, £1.4m was invested into improving the sixth form boarding provision along with a fully refurbished Health and Wellbeing Centre to meet the needs of Stonyhurst pupils.

Debt

The Trustees reviewed and reorganised the borrowings needed due to the impact of Covid. Stonyhurst negotiated with its bankers NatWest to consolidate its current NatWest Loans, Coronavirus Business Interruption Loan and £2m of its overdraft facility into a new long term (25 year capital repayment) 15 year commitment £9m loan. Security of the loans is provided by the Charity's equity investments.

As a result of the above loan reorganisation, creditors falling due within 1 year has reduced to £6.6m (2021; £10.3m). Creditors due after 1 years has increased to £10.7m (2021; £5.6m). Stonyhurst has an overdraft facility of £1m (2021; £3m) as at year end cash at bank was £626k (2021; £1.4m overdrawn).

The Trustees believe that by the reorganisation of the loan over a longer period, aligned with continued improvement in the Charity trading performance, along with the current stewardship of its investments, current debt can be serviced by its trading performance.

STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

Streamlined energy and carbon reporting (SECR)

- Stonyhurst, is a single company (registration number 06632303). The company is registered at Stonyhurst College, Hurst Green, Clitheroe, Lancashire, BB7 9PZ
- The reporting period that this submission covers is 1st September 2021 to 31st August 2022.
- We have followed the HM Government Environmental Reporting Guidelines: including streamlined energy and reporting guidance March 2019.
- We have used data collected specifically for the purpose of SECR reporting.

directly impact energy usage and would therefore not constitute a valid alternative intensity metric.

- We have used the 2022 UK Conversion Factors for Company Reporting in accordance with the guidance provided.
- We have used the financial control approach, but as our organisation is a single entity, there are no other businesses to consider.
- We have measured our Scope 1 and Scope 2 emissions. We have assessed there were no scope 3 emissions requiring inclusion.
- We have also reported on the renewable energy generated and consumed on site.

	Current Reporting Year (1 September 2021 – 31 August 2022)	Previous Reporting Year (1 September 2020 – 31 August 2021)
Mandatory Information		
Total annual energy consumption used to calculate emissions in kWh	9,768,802 kWh	8,432,381 kWh
Total annual gas consumption for combustion purposes in kWh	1,683,972 kWh	1,393,605 kWh
Total other fuel consumption for combustion purposes in kWh	5,608,655 kWh	4,996,479 kWh
Total annual purchased electricity consumption in kWh	2,128,068 kWh	1,724,750 kWh
Total annual transport fuel use in kWh	381,001 kWh	317,547 kWh
Total emissions from combustion of gases in tCO _{2e} (Scope 1)	1,897.63 tCO_{2e}	1,628.70 tCO _{2e}
Emissions from combustion of fuel for transport purposes in tCO _{2e} (Scope 1)	97.60 tCO_{2e}	81.11 tCO _{2e}
Emissions from purchased electricity in tCO _{2e} (Scope 2)	411.53 tCO_{2e}	366.22 tCO _{2e}
Total gross tCO _{2e} based on above [mandatory]	2,406.76 tCO_{2e}	2,076.03 tCO _{2e}
Intensity Ratio: chosen ratio is tCO _{2e} per m ² floor area	0.1169 tCO_{2e}	0.101 tCO _{2e}
Voluntary		
Total annual renewable heat generated from owned on-site wood fuel biomass boiler installation in MWh	3,192.08 MWh	3,188.29 MWh

The intensity ratio chosen was tCO_{2e} per square metre floor area across the site. During this reporting period, the floor area remained static at 20,584 m². As a result, the intensity metric for the period equated to **0.1169 tCO_{2e}** (116.9 kgCO_{2e}) **0.101 tCO_{2e}** per square metre floor area, an increase of **0.0159 tCO_{2e}** or **15.7%** on 2021, albeit this should be caveated that the operation of the school was impacted by pandemic restrictions during the 2020-21 reporting period. In this 2021-22 reporting period, the school returned to normal operation, save for maintaining increased ventilation rates post pandemic, which in turn impacted the demand for space heating provided via both biomass and oil-fired boilers.

This intensity metric was chosen as it was deemed to be the best metric which could be utilised over time in order to reflect changes in our energy consumption, but also reflect changes in floor area. This metric is broadly comparable with the recognised intensity metric of tCO_{2e} per total square metre for organisations mainly involved in property/office accommodation. Furthermore, regression analysis has shown that due to the nature of the buildings and accommodation comprising the Stonyhurst Estate, the level of occupancy (pupils) does not

Actions

During this reporting period both end of life replacement of light sources with LED alternatives have continued, together with targeted upgrading of lighting in specific areas, notably the refectory during the 2022 summer holidays, the benefits of which will be reflected in 2022-23 performance. During 2022 development of an environmental sustainability strategy was completed and feasibility studies for de-Carbonisation of heating sources, together with on-site renewable energy generation were commissioned. Due to external statutory approvals, together with internal investment approvals, any approved schemes are unlikely to be implemented until at least 2024 – 2025 reporting period. In addition, during 2022 Stonyhurst appointed external energy management consultants to develop and implement best practice energy management principles and procedures. A number of quick wins have been realised and further improvements in energy management and thereby energy consumption are on track to deliver benefits in the 2022-23 reporting period.

STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

FUTURE POLICY

The future financial strategy for Stonyhurst is focused on investment in the resource structure and estate of both schools in the ongoing attainment of sustainability. The impact of COVID-19 has necessitated short-term cash management but with the Trustees' determination to protect the long-term core asset base.

Pupil numbers have increased since the various lockdowns when education took place through Stonyhurst Anywhere and blended learning. Arrangements are in place to recover the loss of income from the core business and its commercial operations.

Recent world events have resulted in a scarcity of materials and supply lines have been affected, creating inflationary pressure and a CPI currently running at c. 10%. In line with our risk review and monitoring of the financial data which is updated and monitored by the Trustees through the committee structure.

All areas of business have been examined in accordance with the 3-Year Plan, and to deliver a balanced budget by 2023/24. A Financial Control Group continues to operate, chaired by the Finance Director, to exercise control of costs across the organisation and to manage the capital investment programme. In future years, there will be ongoing refurbishment projects to enhance and maintain the standards of all educational and residential accommodation, alongside fundraising campaigns to provide new facilities.

We have a projection plan to move to surplus so that our charitable assets are preserved and increased in the future to broaden our charitable reach.

The impact of the pandemic, inflation at c. 10% and interest rates increasing brings its challenges and uncertainties, which the Trustees have considered.

Prospects for Stonyhurst are very strong, building on past investments as the platform for sustainability and the move towards a balanced budget in the coming years and, in time, the generation of operating surpluses.

The strength of our balance sheet has enabled Stonyhurst to continue to deliver its strategy and the historical and ongoing investment will allow us to enter the academic year 2022/23 with increased pupil numbers, a substantial investment programme in place and, we believe, in a very strong position in a post-COVID-19 landscape. Capital expenditure will naturally need to continue and will include continuous investment in ICT, the Estate and essential infrastructure.

A revised Strategic Plan will be published to all of our Stakeholders in readiness for the forthcoming academic year in September 2023.

STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

THANKS AND APPRECIATION

This report would not be complete without it recording a sincere appreciation to the whole Stonyhurst community for all that every member of that community has contributed to the success of the schools during the year under review.

We record our grateful thanks to the Headmasters of both schools and to their management and support teams.

To all the teaching staff we say thank you, especially for the way in which you deliver our ethos, our mission, our distinctiveness and our catholicity both in the classroom and in your everyday contact with our pupils. We are blessed in both schools with outstanding teachers who are able to teach and inspire our young people.

Every successful organisation can point to having first class support staff. This is certainly the case at Stonyhurst and we record our thanks and appreciation to every one of them in every department across the schools.

We pay a particular tribute to those of our staff who work in and for our chaplaincy and pastoral teams.

Finally, the Chairman records his personal thanks to his Trustee colleagues for all the time that they give to the governance of Stonyhurst and particularly for the personal support that individually and collectively they have given to him as Chairman.

STONYHURST TRUSTEES' ANNUAL & STRATEGIC REPORT

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2022

The Stonyhurst Trustees (who are also Directors of Stonyhurst for the purposes of company law and are the charity trustees) are responsible for preparing the Trustees' Report, Strategic 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 Stonyhurst 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 the group and of incoming resources and application of resources, including the income and expenditure, of the charitable group 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 accounting estimates that are reasonable and prudent;
- state whether the applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Stonyhurst Trustees are responsible for ensuring that proper accounting records are kept which disclose 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Trustees who held office at the date of approval of this report confirm, that so far as they are each 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.

RSM UK Audit LLP Chartered Accountants have indicated a willingness to continue in office. A resolution to reappoint RSM UK Audit LLP as auditors will be put to the Board of Trustees at the next Board Meeting.



Anthony Chitnis
Chairman of Trustees

30/05/23

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF STONYHURST

Opinion

We have audited the financial statements of Stonyhurst (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities (including Consolidated Income and Expenditure Account), the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

We have nothing to report in this regard.

AUDITOR'S REPORT

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

AUDITOR'S REPORT

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

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

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

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Annual and Strategic Report which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, and inspecting correspondence with local tax authorities.

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

The audit engagement team identified the risk of management override of controls and the completeness of revenue transaction as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business. The audit team also performed testing over the completeness of income.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

RSM UK Audit LLP

JOHN GUEST (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

3 Hardman Street

Manchester

M3 3HF

31 May 2023

STONYHURST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Consolidated Statement of Financial Activities (Including Consolidated Income and Expenditure Account) For the year ended 31 August 2022 (Registered Company No 0663233)

	Notes	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Income and Endowments From:					
Charitable Activities					
School Fees	1	18,392,952	-	18,392,952	13,972,366
Other ancillary income	2	852,726	-	852,726	356,811
Other trading activities					
Trading turnover	8	126,579	-	126,579	68,561
Voluntary Sources					
Donations and Fundraising	3	-	966,694	966,694	667,503
Investment Income					
	4	806,645	-	806,645	745,511
Other Income					
Profit on disposal of fixed assets		731	-	731	150,191
Government CJRS Income		4,640	-	4,640	438,536
TOTAL		<u>20,184,272</u>	<u>966,694</u>	<u>21,150,966</u>	<u>16,399,479</u>
Expenditure On:					
Raising Funds					
Trading expenses		134,431	-	134,431	118,119
Fundraising costs		411,379	-	411,379	310,800
Financing costs		564,872	-	564,872	390,066
Total		<u>1,110,682</u>	<u>-</u>	<u>1,110,682</u>	<u>818,985</u>
Charitable Activities					
Education and Grant making		20,003,702	966,694	20,970,396	18,700,570
TOTAL	6	<u>21,114,385</u>	<u>966,694</u>	<u>22,081,079</u>	<u>19,519,555</u>
Net Gains on Investments					
(Loss)/Gains on investment assets	7	(1,394,199)	-	(1,394,199)	6,172,992
Realised gains on investment property	7	-	-	-	5,858
Revaluation of investment property	7	-	-	-	1,357,822
Impairment of residential property		-	-	-	(273,372)
Net Expenditure		<u>(2,324,311)</u>	<u>-</u>	<u>(2,324,311)</u>	<u>4,143,224</u>
Net Movement in Funds		<u>(2,324,311)</u>	<u>-</u>	<u>(2,324,311)</u>	<u>4,143,224</u>
Fund Balances brought Forward at 1 st September 2021		63,349,395	54,281	63,403,676	59,260,451
Fund Balances carried Forward 31 st August 2022		<u>61,025,084</u>	<u>54,281</u>	<u>61,079,365</u>	<u>63,403,676</u>

STONYHURST BALANCE SHEETS

As at 31 August 2022
Registered Company No: 06632303

	Notes	Group 2022 £	2021 £	Stonyhurst (Charity) 2022 £	2021 £
Fixed Assets					
Investments	7	38,590,544	41,593,233	38,584,720	41,587,104
Tangible Fixed Assets	9	37,607,942	36,095,536	37,607,942	36,095,536
		<u>76,198,486</u>	<u>77,688,769</u>	<u>76,192,662</u>	<u>77,682,640</u>
Current Assets					
Debtors	10	1,616,992	1,596,971	1,844,354	1,825,410
Cash at Bank		625,884	26,598	625,884	17,672
		<u>2,242,876</u>	<u>1,623,569</u>	<u>2,470,238</u>	<u>1,843,082</u>
Creditors: Amounts Falling due within one year					
Creditors	11	(6,644,133)	(10,323,660)	(6,644,133)	(10,314,734)
Net Current Liabilities		<u>(4,401,257)</u>	<u>(8,700,091)</u>	<u>(4,173,895)</u>	<u>(8,471,652)</u>
Total assets less liabilities		71,797,229	68,988,678	72,018,767	69,210,988
Creditors: Amounts falling due after more than one year					
Creditors	12	(10,717,864)	(5,585,002)	(10,717,864)	(5,585,002)
Total Net Assets		<u>61,079,365</u>	<u>63,403,676</u>	<u>61,300,903</u>	<u>63,625,986</u>
Restricted Funds	14	54,281	54,281	54,281	54,281
Unrestricted Funds	14	61,025,084	63,349,395	61,246,622	63,571,705
Total Funds		<u>61,079,365</u>	<u>63,403,676</u>	<u>61,300,903</u>	<u>63,625,986</u>

As permitted by Section 408 of the Companies Act 2006, the statement of financial activities of the parent charity is not presented as part of these financial statements. The parent charity's net deficit for the financial period was £2,316,154 (2021: £4,094,216 surplus).

The financial statements were approved and authorised for issue by the Board of Trustees on the 30 May 2023 and signed on its behalf by:

Anthony Chitnis

Mr A Chitnis
Chairman of Trustees

30/05/23

Steven Whitford

Mr S J Whitford
Finance Director

30/05/23

STONYHURST CONSOLIDATED CASH
FLOW STATEMENT For the year ended 31
August 2022

	Notes	2022 £	2021 £
Cash absorbed by operations	16	(583,756)	(7,151,578)
Interest paid		(256,776)	(131,859)
Net cash used in operating activities		(840,532)	(7,283,437)
Investing activities			
Purchase of tangible fixed assets		(2,483,777)	(580,443)
Cash drawdown in listed investments		2,034,041	1,968,184
Proceeds from disposal of investment property		25,000	385,858
Proceeds on disposal of tangible fixed assets		731	478,691
Investment income received		806,645	745,511
Net Cash from investing activities		382,640	2,997,801
Financing Activities			
Repayment of borrowings		(6,585,124)	(183,783)
New borrowings		9,000,000	2,000,000
Net Cash generated from financial activities		2,414,846	1,816,217
Net increase/(decrease) in cash and cash equivalents		1,956,984	(2,469,419)
Cash and Cash equivalents at beginning of year		(1,331,571)	1,137,847
Cash and Cash Equivalents at end of the year		625,413	(1,331,572)
Relating to:			
Bank balances and short-term deposits		625,884	26,598
Bank overdrafts		(471)	(1,358,169)
Total		625,413	(1,331,572)

STONYHURST NOTES TO THE ACCOUNTS

For the year ended 31 August 2022

LEGAL STATUS

Stonyhurst is an incorporated (private company limited by guarantee) charity (charity no. 1127929, company no. 06632303), registered in England. Stonyhurst meets the definition of a public benefit entity under FRS 102. The School's address is Stonyhurst, Clitheroe, Lancashire, BB7 9PZ.

The charitable objectives of Stonyhurst are to advance the Roman Catholic religion, and advance education by the conduct of one or more Roman Catholic schools in the charism of the Society of Jesus and by ancillary religious and educational activities for the benefit of the community at large.

The principal activity of Stonyhurst is the provision of education for boys and girls aged 3-18 as a boarding, weekly boarding and day school recruiting pupils locally, nationally and internationally.

BASIS OF ACCOUNTING

The accounts have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice ("SORP (FRS 102)") and Financial Reporting Standard 102. The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and listed investments.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated. The financial statements are presented in sterling which is also the functional currency of the School.

BASIS OF CONSOLIDATION

The accounts have been consolidated to include the trading subsidiaries, Stonyhurst College Developments Limited ('DevCo'), Stonyhurst International Limited (dormant) and its separate subsidiary unincorporated charity, Stonyhurst Charitable Fund ("SCF"), all of which are registered in England, United Kingdom.

No separate SOFA has been presented for the individual School alone, as permitted by Section 408 of the Companies Act 2006.

All financial statements are made up to 31 August 2022. The following accounting policies have been applied consistently in dealing with items that are considered material to the School's financial statements.

Reduced disclosures

In accordance with FRS 102, the individual School has taken advantage of the exemptions from the following disclosure requirement in the individual financial statements of Stonyhurst:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flows and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches; and details of hedges and hedging fair value changes recognised in profit or loss and in other comprehensive income.

GOING CONCERN

The Trustees have reviewed cash flow requirements for at least the ensuing 12 months and are satisfied that the Group and Charity have access to sufficient liquidity to continue to operate for a period of at least 12 months from approving these financial statements.

The Charity's debt provision has been reviewed with the focus on improved trading covering the servicing of this debt. As with all other Independent Schools, political change, taxation and VAT are under constant review.

The Charity also has access to a significant unrestricted investment portfolio which could be drawn down, if needed.

On the basis of their assessment of the Charity's financial position, the Trustees have a reasonable expectation that the Group and Charity will be able to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements

STONYHURST NOTES TO THE ACCOUNTS

For the year ended 31 August 2022

INCOME

- (i) Fee income represents fees earned in respect of tuition given during the year. Fees received in respect of tuition to be given after the year end are included in creditors as fees received in advance.
- (ii) All other income is the amount receivable in the accounting year.
- (iii) Extras, for example School trips, which relate in nature to a banking relationship as opposed to the specific provision of goods by the school, are not included as income.

DONATIONS & LEGACIES

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

Donations received for the general purposes of the School are credited to unrestricted funds to distinguish them from direct school income. Donations subject to specific wishes of the donors are carried to relevant restricted funds, or to endowed funds where the amount is required to be held as permanent capital.

Legacies and bequests are accounted for only when there is sufficient evidence that the legacy will be received and the value of the incoming resource can be measured with sufficient certainty.

EXPENDITURE

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure is summarised under functional headings either on a direct costs basis or for overhead costs, apportioned according to time spent. Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds. Charitable activities include expenditure associated with the objects of the charity and include both the direct costs and support costs relating to this activity. Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

TAXATION

The School is a registered charity and therefore it is exempt from income and corporation tax on income and gains falling within chapter 3 Part 11 Corporation Tax Act 2010 or S256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

The subsidiary undertaking, Stonyhurst College Developments Limited, is liable to income and corporation tax on its income and gains. Gift Aid payments paid to the School (a charity) will reduce the taxable income and

gains. The subsidiary is eligible to make gift aid payments to its holding company, the School. Details of Stonyhurst College Developments Limited policy on gift aid can be found within their financial statements.

FIXED ASSETS

- (i) The School land, buildings and residential property were revalued in 2007 by Gerald Eve & Mortimers for the purposes of the transfer of assets British Jesuit Province to a new charitable company. These valuations were updated in 2010 and incorporated into the accounts as at 1 September 2009 as appropriate transfer values and deemed cost. Residential properties were reviewed for impairment purposes in November 2022 by our Estate managers, Carter Jonas. These reviews are carried out at regular intervals.
- (ii) Motor vehicles, catering and IT equipment are incorporated in the accounts at cost less a provision for depreciation.

IMPAIRMENT OF FIXED ASSETS

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the School estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. All other impairment losses are recognised in net income/expenditure.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in net income/expenditure or, for revalued assets, as a revaluation gain. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

INVESTMENT PROPERTIES

Investment properties are those that are held for either capital appreciation or an investment return and are mainly agricultural dwellings. Investment properties are valued as individual units at their market values as at the balance sheet date. Rental income is recognised in the period to which it relates and is included within investment income within the Statement of Financial Activities. Purchases and sales of investment properties are recognised on exchange of contracts.

Investment property is reviewed annually and revalued as required, with the aggregate surplus or deficit is transferred to a revaluation reserve. Details of the current value and historical cost information are given in note 7.

ASSETS UNDER CONSTRUCTION

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31 August. They are not depreciated until they are brought into use.

STONYHURST NOTES TO THE ACCOUNTS

For the year ended 31 August 2022

DEPRECIATION

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal annual instalments over their expected useful economic lives.

Depreciation of motor vehicles has been provided at the rate of 25% pa on a reducing balance basis. Depreciation of IT and catering equipment has been provided over 4 years on a straight-line basis. No provision for depreciation of buildings is made, with the exception of new developments, as the school considers that the estimated useful lives of these properties are so long such that any depreciation charge would be immaterial and the recoverable amount is not materially different to the carrying value. Newer developments, including Weld House and The Refectory, are depreciated over 25 - 50 years on a straight-line basis. Depreciation on the combined heat and power plant has been provided over a period of 25 years on a straight-line basis.

INVESTMENTS

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

LIABILITIES

Liabilities are reflected in the Statement of Financial Activities as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure.

PENSION SCHEMES

Retirement benefits for the School's teaching staff are provided by the Teachers' Pension Scheme (TPS). This is a defined benefit scheme which is externally funded and contracted out of the State Earnings Related Pension Scheme. This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

A group money purchase scheme (defined contribution scheme) is open to all Support Staff on the basis of matched contributions between employee and employer. Minimum contributions start at 4% of salary and are employer matched up to 6% of salary. The pension scheme was launched in January 2014 and meets all auto-enrolment requirements.

Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the schemes.

EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense. The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the School is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

FUND ACCOUNTING

Stonyhurst has various types of funds for which it is responsible, and which require separate disclosure. These are as follows:

Unrestricted funds

Funds which are expendable at the discretion of the Trustees in furtherance of the objects of the school. In addition to expenditure on tuition, such funds may be held in order to finance capital investment and working capital.

Restricted funds

Donations or legacies received which are earmarked by the donor for specific purposes within the overall aims of the School.

FINANCIAL INSTRUMENTS

The School has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

Bank loans and other loans are initially recognised at their transaction value and subsequently measured at amortised cost using the effective interest rate method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges. Investments are initially measured at transaction price and subsequently measured at fair value through net income or expenditure.

STONYHURST NOTES TO THE ACCOUNTS

For the year ended 31 August 2022

LEASES

An asset and corresponding liability are recognised for leasing agreements that transfer to the School substantially all of the risks and rewards incidental to ownership ("finance leases"). The amount capitalised is the fair value of the leased asset or, if lower, the present value of the minimum lease payments payable during the lease term, both determined at inception of the lease. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the statement of financial activities so as to produce a constant periodic rate of interest on the remaining balance of the liability.

All other leases are operating leases and the annual rentals are charged to the statement of financial activities on a straight-line basis over the lease term.

FEE DEPOSITS

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

therefore the deposit will be refunded to them when they leave school. Short-term deposits reflect those pupils that will be leaving a school within one year, and the longer-term element reflects those pupils that will be leaving a school after 12 months from the balance sheet date.

CRITICAL ACCOUNTING ESTIMATES & AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The Trustees consider the following to be significant areas of judgement:

Classification of properties

Judgement is applied in respect of the classification of certain properties. Classification of properties as either property, plant and equipment or investment properties is based on the current and intended use of the associated property. For further information, see the accounting policy for investment properties on page 29.

KEY SOURCES OF ESTIMATION UNCERTAINTY

Fee debtor provision

A provision for impairment of fee debtors is established when there is objective evidence that the amounts due will not be collected in line with the usual fee collections due to financial difficulty of the parents.

Useful life of fixed assets

In making decisions regarding the depreciation of tangible fixed assets, management must estimate the useful life of said assets to the business. The total value of those assets subject to this estimation is £37,607,942 (2021: £36,095,536).

STONYHURST NOTES TO THE ACCOUNTS

1. SCHOOL FEES	2022	2021
	£	£
FEES RECEIVABLE		
Total Gross Fees	21,851,450	17,581,290
Less: College allowances, bursaries and scholarships	(4,095,381)	(4,089,070)
	<u>17,756,069</u>	<u>13,492,221</u>
Plus: bursaries, scholarships and awards paid for by restricted funds	636,883	480,145
Total	<u>18,392,952</u>	<u>13,972,366</u>

The total of £4,095,381 (2021: £4,089,070) provided assistance to 434 (2021: 437) individuals.

Fee income is generated by the School only and is credited to unrestricted funds in both 2022 and 2021.

2. OTHER ANCILLARY INCOME	2022	2021
	£	£
Registration	60,300	64,355
Grant commissions and rebates	6,317	-
Educational activities	786,108	292,456
Unrestricted	<u>852,726</u>	<u>356,811</u>

Other ancillary income is generated by the School only and is credited to unrestricted funds in both 2022 and 2021.

3. DONATIONS & FUNDRAISING	2022	2021
	£	£
Donations and Annual Fund	215,426	187,357
Stonyhurst Foundation	751,268	480,145
Stonyhurst Children's Holiday Trust	-	-
Total	<u>966,694</u>	<u>667,503</u>

Donations and Fundraising is credited to restricted funds in both 2022 and 2021.

STONYHURST NOTES TO THE ACCOUNTS

4. INVESTMENT INCOME	2022	2021
	£	£
Rent Received	348,836	370,240
Investment income	457,809	375,271
Total	<u>806,645</u>	<u>745,511</u>

Investment income is credited to unrestricted funds in both 2022 and 2021.

5. EXPENDITURE	2022	2021
	£	£
EXPENDITURE ON CHARITABLE ACTIVITIES INCLUDES:		
Depreciation	970,640	909,565
OTHER EXPENDITURE INCLUDES:		
Amounts payable to RSM UK Audit LLP and its associates		
Audit Services		
Statutory audit of parent and consolidated accounts	30,500	30,400
Statutory audit of subsidiary accounts	5,500	6,100
Teachers' Pension Scheme audit	1,200	925
Other Services:		
Non-audit Services	13,259	9,144
Trustees' expenses – relating to travel and accommodation	8,587	2,969

Expenses were reclaimed by 7 members (2021: 3) of the Governing Body.

FINANCE COSTS	2022	2021
	£	£
Interest on bank loans and overdrafts	245,526	131,859
Total	<u>245,526</u>	<u>131,859</u>

TOTAL STAFF COSTS COMPRISED:	2022	2021
	£	£
Wages and Salaries	10,397,729	10,456,966
Social Security costs	941,006	915,586
Pension Costs (note 17)	1,247,140	1,312,649
Total	<u>12,585,875</u>	<u>12,685,201</u>

STONYHURST NOTES TO THE ACCOUNTS

All staff costs are borne by the parent charity. The average number of people (not full-time equivalents) employed by the Group during the year was:

	2022 £	2021 £
Teaching/Pastoral Staff	217	217
Support Staff	200	200
Total	<u>417</u>	<u>417</u>

	2022 No.	2021 No.
£60,001 - £70,000	5	3
£70,001 - £80,000	1	1
£80,001 - £90,000	2	2
£90,001 - £100,000	1	-
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
£120,001 - £130,000	-	1

Included in the above higher paid employees were 10 (2021: 8) accruing pension benefits.

Contributions in respect of these 10 individuals totalled £145,898 (2021: £129,173).

The employee bands with enrolments for the year includes benefits in kind but excludes employee's pension contributions and employer National Insurance contributions.

Key management personnel

The Group and School considers its key management personnel comprise the Headmasters and the Bursar and Clerk to the Trustees.

The total employment benefits including employer pension contributions and taxable benefits of the key management personnel were £452,998 (2021: £422,005).

STONYHURST NOTES TO THE ACCOUNTS

6. ANALYSIS OF TOTAL RESOURCES EXPENDED	Staff Costs £	Other £	Depreciation £	Total £
Expenditure on raising funds				
Trading Dev Co	69,365	65,066	-	134,431
Interest and bank charges	-	360,285	-	360,285
Investment managers fees	-	204,587	-	204,587
Fundraising costs	302,968	108,411	-	411,379
Total	372,333	738,349	-	1,110,682
Expenditure on charitable activities				
Teaching costs	8,022,248	1,252,321	385,659	9,660,228
Welfare	1,405,136	960,312	-	2,365,448
Premises	1,486,439	2,835,024	592,232	4,913,696
Support costs of schooling	1,299,719	2,094,423	-	3,394,142
Grants, awards and prizes	-	636,883	-	636,883
	12,213,542	7,778,964	977,891	20,970,397
Total resources expended	12,585,875	8,517,313	977,891	22,081,079
Governance costs (included within support costs of schooling)	-	28,105	-	28,105

All expenditure is charged to the unrestricted fund, with the exception of £966,694 (2021: £667,503) of grants, awards and prizes that are charged to the restricted fund.

Premises costs include the ongoing regular maintenance work required to preserve the Grade I, 2 and 2* listed buildings of Stonyhurst.

Support costs include professional fees, stationery, printing, office equipment, telephone and postage costs.

STONYHURST NOTES TO THE ACCOUNTS

INVESTMENTS

7. Group	Investments	Cash	Properties	Total
Market Value				
At September 2021	33,479,478	3,303,430	4,810,325	41,593,233
Net Additions/Disposals	202,155	174,661	25,000	401,816
Cash drawn	(2,010,000)	-	-	(2,010,000)
Investment gains/(losses)	(1,394,505)	-	-	(1,394,505)
Revaluation of investment property	-	-	-	-
At 31 August 2022	30,277,128	3,478,091	4,835,325	38,590,544
Charity				
Market Value				
At September 2021	33,473,349	3,303,430	4,810,325	41,587,104
Net Additions/Disposals	202,155	174,661	25,000	401,816
Cash drawn	(2,010,000)	-	-	(2,010,000)
Investment gains/(losses)	(1,394,200)	-	-	(1,394,200)
Revaluation of investment property	-	-	-	-
At 31 August 2022	30,271,304	3,478,091	4,835,325	38,584,720
Historical Depreciation	2022	2021		
Deemed Cost	2,327,003	2,335,140		
Aggregate depreciation	455,701	447,564		

STONYHURST NOTES TO THE ACCOUNTS

For the year ended 31 August 2022

8. **Stonyhurst Developments Limited (Subsidiaries)**

Profit and loss for year ended 31 August 2022	2022	2021
Turnover	126,579	68,561
Cost of Sales	(121,267)	(107,447)
Gross Profit/(Loss)	5,312	(38,886)
Admin expenses	-	110
Operating Profit/(Loss)	5,312	(38,996)
Loan interest payable to Stonyhurst	(13,164)	(10,561)
Net (Loss)	(7,852)	(49,557)
Balance sheet as at 31 August 2022		
Fixed Assets	-	-
Debtors	-	-
Cash at Bank	-	8,926
Creditors	-	-
Net Current Liabilities	-	8,926
Total assets less current liabilities	-	8,926
Stonyhurst loan	(227,363)	(228,439)
Net Liabilities	(227,363)	(219,513)
Share Capital	3	3
Retained Loss	(227,366)	(219,516)
Shareholders Funds	(227,363)	(219,513)

The Charity has a 100% control in this trading subsidiary which is registered in England. Stonyhurst College Developments Limited promotes commercial activities which use the School's assets to produce income from lettings and outside membership of the swimming pool.

Any taxable profit is covenanted to Stonyhurst. Summaries of the trading results and balance sheets are shown above. Audited accounts will be filed with the Registrar of Companies.

The Company has accumulated retained losses and therefore requires financial support of Stonyhurst in order to continue to trade. The results of the Company are consolidated with the results of Stonyhurst.

STONYHURST NOTES TO THE ACCOUNTS

For the year ended 31 August 2022

8. **Stonyhurst Charitable Fund (Subsidiaries continued)**

Statement of Financial Activities (Incorporating Income and Expenditure Account) as at 31 August 2022

Stonyhurst Charitable Fund	2022	2021
Net (loss)/gains on investment assets	(305)	549
NET MOVEMENT IN FUNDS	<u>(305)</u>	<u>549</u>
RECONCILIATION OF FUNDS		
Total Funds Brought Forward	6,129	5,580
TOTAL FUNDS CARRIED FORWARD	<u>5,824</u>	<u>6,129</u>
Balance Sheet as at 31 August	2022	2021
INVESTMENTS		
Quoted Investments	5,824	6,129
FUNDS		
Unrestricted Funds	<u>5,824</u>	<u>6,129</u>

STONYHURST NOTES TO THE ACCOUNTS

For the year ended 31 August 2022

9. TANGIBLE FIXED ASSETS CHARITY and GROUP	School land & buildings	IT & catering equip	Residential properties	Motor Vehicles	Assets under construction	Total
Cost (or frozen* valuation)	18,417,209	2,625,844	20,072,294	356,689	192,424	41,664,460
Brought Forward						
Additions	1,599,705	690,987	159,243	33,842	-	2,483,777
Disposals	-	(1,421,152)	-	(95,304)	-	(1,516,456)
Transfer	-	-	-	-	(192,424)	(192,424)
Revaluation						
As at 31 August 2022	20,016,914	1,895,679	20,231,537	295,227	-	42,439,357
Depreciation Brought Forward	3,168,471	1,910,705	-	297,324	192,424	5,568,924
Charge for the year	501,123	462,304	-	7,213	-	970,640
Transfer	-	(1,421,152)	-	-	(192,424)	(1,613,576)
Disposals	-	-	-	(94,573)	-	(94,573)
As at 31 August 2022	3,669,594	951,857	-	209,964	-	4,831,415
As at 31 August 2022	16,347,320	943,822	20,231,537	85,263	-	37,607,942
As at 31 August 2021	15,248,738	715,139	20,072,294	59,365	-	36,095,536

The School land and buildings were revalued at "zero" by Gerald Eve, an independent firm of Chartered Surveyors, as at 16 November 2007, for the purposes of the transfer of assets from British Jesuit Province to a new charitable company. This reflects the unique nature of the School's historic buildings, the level of repairing liability, and the ongoing maintenance obligations.

STONYHURST NOTES TO THE ACCOUNTS

10.	Debtors Group	Group		Charity	
		2022	2021	2022	2021
	Trade debtors	416,378	383,387	416,378	383,387
	Prepayments and accrued income	136,277	44,399	136,277	44,399
	Other debtors	64,337	140,834	64,337	140,834
	Secured loan (CHC loan see note [18])	1,000,000	1,028,351	1,000,000	1,028,351
	Amount due from group undertakings	-	-	227,363	228,439
	Total	1,616,992	1,596,971	1,844,354	1,825,410

Secured loan above relates to a £1m loan to the Christian Heritage Centre (an independent organisation, which occupies Theodore House within the grounds of Stonyhurst). The loan is secured on the Theodore House building.

11.	Creditors (Amounts due within 1 year) Group	Group		Charity	
		2022	2021	2022	2021
	Bank Overdraft	471	1,358,169	471	1,349,243
	Bank Loan – Jesuit Loan	1,175,522	4,093,953	1,175,522	4,093,953
	Creditors and accrued expenses	958,057	427,061	958,057	427,061
	Fees received in advance (includes parents deposits)	3,940,608	3,999,363	3,940,608	3,999,363
	Other taxes and social security	449,780	234,041	449,780	234,041
	Other creditors	119,695	211,073	119,695	211,073
	Total	6,644,133	10,323,660	6,644,133	10,314,734

The bank loan is secured by charges dated 18 December 2009 and 8 March 2012 over marketable securities held as part of the group's investment portfolio.

The Jesuit Province Loan is secured by charge dated 6th October 2020 over some of the Charity's residential properties.

STONYHURST NOTES TO THE ACCOUNTS

12. Creditors (Amounts due after more than one year)	Group		Charity	
	2022	2021	2022	2021
Loans	9,664,742	4,848,000	9,664,742	4,848,000
Parental Deposits	1,053,122	737,002	1,053,122	737,002
Total	<u>10,717,864</u>	<u>5,585,002</u>	<u>10,717,864</u>	<u>5,585,002</u>

MATURITY OF DEBT	2022	2021
Bank and Jesuit loans amounts payable within:		
1 year	1,175,522	4,093,953
1 to 2 years	1,184,980	1,632,000
2 to 5 years	400,400	2,896,000
More than 5 years	8,079,362	320,000
Total	<u>10,840,264</u>	<u>8,941,953</u>

Bank loans comprise a loan of £9,000,000 (with a balance which as at 31st August 2022 stands at £8,840,264) repayable in monthly instalments which are split 50% at a fixed rate and 50% at a variable rate over LIBOR.

The above loans are secured by charges over marketable securities held as part of the group's investment portfolio.

The charity received a commercial loan from the Jesuit Province of £2m at a fixed rate over the base rate, due to be repaid by December 2025. These funds are held within short term investment cash equivalent funds.

Overseas parents pay to the school a deposit equal to 10% of the school fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice.

DEPOSITS	2022	2021
Within 2 to 5 years	534,488	368,501
Within 1 to 2 years	518,634	368,501
Total	<u>1,053,122</u>	<u>737,002</u>
Within 1 year (included within fees in advance with note [11])	518,633	379,668
Total	<u>1,571,755</u>	<u>1,116,670</u>

STONYHURST NOTES TO THE ACCOUNTS

For the year ended 31 August 2022

Fees in Advance (Note 12 continued)		2022	Group 2021
Within 1 year (included within fees in advance within note [11])		2,130,542	3,619,695
Total		2,130,542	3,619,695

13.	Financial Instruments	2022	Group 2021
Financial assets			
Debt instruments measured at amortised cost		1,480,714	1,552,572
Total		1,480,714	1,552,572
Financial liabilities			
Measured at amortised cost		11,918,487	10,938,256
Total		11,918,487	10,938,256

14.	Allocation of the Group Net Assets - 31 August 2022	Fixed Assets	NC Liabilities	LT Liabilities	Total
Unrestricted funds		76,138,381	(4,401,257)	(10,717,864)	61,019,260
Restricted funds		54,281	-	-	54,281
Unrestricted funds – Stonyhurst Charitable Fund		5,824	-	-	5,824
Total		76,198,486	(4,401,257)	(10,717,864)	61,079,365
Allocation of the Group Net Assets – 31 August 2021		Fixed Assets	NC Liabilities	LT Liabilities	Total
Unrestricted funds		77,628,359	(8,700,091)	(5,585,002)	63,343,266
Unrestricted funds – Stonyhurst Charitable Fund		6,129	-	-	6,129
Restricted funds		54,281	-	-	54,281
Total		77,688,769	(8,700,091)	(5,585,002)	63,403,676
Allocation of the Charity Net Assets – 31 August 2022		Fixed Assets	NC Liabilities	LT Liabilities	Total
Charity					
Unrestricted funds		76,138,381	(4,173,895)	(10,717,864)	61,246,622
Restricted funds		54,281	-	-	54,281
Total		76,192,662	(4,173,895)	(10,717,864)	61,300,903
Allocation of the Charity Net Assets – 31 August 2021		Fixed Assets	NC Liabilities	LT Liabilities	Total
Charity					
Unrestricted funds		77,628,359	(8,471,652)	(5,585,002)	63,571,705
Restricted funds		54,281	-	-	54,281
Total		77,682,640	(8,471,652)	(5,585,002)	63,625,986

STONYHURST NOTES TO THE ACCOUNTS

For the year ended 31 August 2022

15. Group Funds	Balance	Incoming	Resources	Balance
RESTRICTED FUNDS	1 Sept 2021	Resources	Expended	31 Aug 2022
GROUP AND CHARITY	£	£	£	£
Stonyhurst Children's Holiday Trust	54,281	-	-	54,281
Total	<u>54,281</u>	<u>-</u>	<u>-</u>	<u>54,281</u>

STONYHURST NOTES TO THE ACCOUNTS

For the year ended 31 August 2022

16. Cash Flow Statement	2022 £	2021 £
Net (expenditure)/income	(2,324,311)	4,143,224
Adjustments for:		
Gains on investment assets	1,394,199	(6,172,992)
Realised gains on investment properties	-	(5,858)
Revaluation on investment properties	-	(1,357,822)
Impairment on residential properties	-	273,372
Interest payable	256,776	131,859
Investment income	(806,645)	(745,511)
Depreciation charge	970,640	909,565
Impairment of tangible fixed assets (net of reallocations)	-	-
Profit on disposal of tangible asset	731	(150,191)
Sub-total	(508,611)	(2,974,354)
Movement in working capital		
Increase in debtors	20,021	25,396
Increase in creditors	(95,166)	(4,202,620)
Net Cash (outflow) from operating activities	(583,756)	(7,151,578)

Net Debt Table	Start of Year	Cash Flows	Acquisition	New Finance Leases	Other non-cash	At end of year
	£	£	£	£	£	£
Cash	26,598	599,286	-	-	-	625,884
Cash equivalents						
Overdraft facilities repayable on demand	(1,359,169)	1,357,698	-	-	-	(471)
Sub Total	(1,331,571)	1,956,984	-	-	-	625,413
Loans due within one year	(4,093,953)	2,918,431	-	-	-	(1,175,522)
Loans due after more than one year	(4,848,000)	(4,816,742)	-	-	-	(9,664,742)
Finance lease obligations	(202,738)	392,146		(974,516)	-	(785,108)
Total	(10,476,262)	450,819	-	(974,516)	-	(10,999,959)

STONYHURST NOTES TO THE ACCOUNTS

For the year ended 31 August 2022

17. PENSION SCHEMES

VALUATION OF THE TEACHERS' PENSION SCHEME

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,327,308 (2021: £1,517,069) and at the year-end £0 (2021 - £0) was accrued in respect of contributions to this scheme.

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

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

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

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

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to

employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary and are aiming to implement these changes in time for the 2020 valuations.

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

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

SUPPORT STAFF PENSION SCHEME

The Stonyhurst Pension Scheme is a defined contribution scheme available to support staff. Contributions are charged to the statement of financial activities as they become payable. Contributions to the scheme during 2022 totalled £629,427 (2021: £558,117).

18. RELATED PARTIES

Stonyhurst Charitable Fund (charity number 265478) has unreserved funds at year end of £5,824 (2021: £6,129) as shown in note 14 – Stonyhurst is the sole corporate trustee for Stonyhurst Charitable Fund.

The Christian Heritage Centre (CHC) repaid £53,683 (2021: £12,317) to Stonyhurst in the year. Interest of £25,332 (2021: £21,686) was charged on the loan. The loan balance between the CHC and Stonyhurst stood at £1,000,000 (note 10 Debtors) at year end (2021: £1,028,351) – Stonyhurst representatives on CHC are John Browne (College Headmaster) and Anthony Chitnis (Chair of Stonyhurst Trustees). The loan is fully secured against Theodore House which holds a capital value in excess of the loan value.

Stonyhurst received £751,268 (2021: £480,145) from the Stonyhurst Foundation grants – Stonyhurst representatives on the Foundation are John Browne (College Headmaster), Fr Chris Cann (St Mary's Hall Headmaster) and Christine Keunen (Stonyhurst Trustee).

Stonyhurst College Developments Limited (company number 1482392) decreased its loan by £1,076 (2021: £52,422 reduction). The balance outstanding as at 31st August 2022 was £227,363 (2021: £228,439). There is interest due on the loan of £13,164 (2021: £10,561) – Stonyhurst is the sole share owner.

STONYHURST NOTES TO THE ACCOUNTS

19. CONTINGENT LIABILITIES

Except with the prior written consent of the British Jesuit Province, Stonyhurst is required to pay £16m to the British Jesuit Province in the event that either both schools close or merge or transfer to a third party.

20. CAPITAL COMMITMENTS

No capital commitments as at year end.

21. COMMITMENTS UNDER OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases in respect of IT equipment are as follows:

	2022 £	2021 £
Amounts due:		
Within one year	388,154	121,711
Between one and five years	396,954	81,027
Total	<u>785,108</u>	<u>202,738</u>