

ST BEES SCHOOL

England & Wales · Charity number 1129534

Details

Status Registered

Legal form Charitable company

Company number [06595861](#)

Registered 2009-05-12

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

Contact

Address St. Bees School
St. Bees
CA27 0DS

Phone 01946828006

Email mailbox@stbeesschool.co.uk

Website www.stbeesschool.co.uk

Activities

Objects: TO ADVANCE THE EDUCATION OF BOYS AND GIRLS BY THE PROVISION OF A DAY AND / OR BOARDING SCHOOL OR SCHOOLS IN OR NEAR ST BEES OR ELSEWHERE IN CUMBRIA AND BY ANCILLARY OR INCIDENTAL EDUCATIONAL ACTIVITIES AND OTHER ASSOCIATED ACTIVITIES FOR THE BENEFIT OF THE COMMUNITY.

Activities: THE PROVISION OF EDUCATION AND BOARDING FOR BOYS AND GIRLS TOGETHER WITH ANCILLIARY EDUCATIONAL AND ASSOCIATED ACTIVITIES FOR THE BENEFIT OF THE COMMUNITY INCLUDING A SUMMER SCHOOL FOR LOCAL CHILDREN.

Classification

- **How:** Makes Grants To Individuals, Provides Services, Other Charitable Activities
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** ST BEES OR ELSEWHERE IN CUMBRIA
- Cumbria

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£190,395	£192,081	-	-
2024-07-31	£277,807	£245,963	-	-
2023-07-31	£213,981	£236,689	-	-
2022-07-31	£164,356	£220,653	-	-
2021-07-31	£163,436	£281,796	-	-
2020-07-31	£191,476	£258,721	-	-

Trustees

Name	Role	Appointed
Mark George	Chair	2016-01-08
Alastair Lord		2015-08-28
Dr Adrian Mark Simper		2016-02-12
Dr David John Thornley		2024-11-01
Mark Norman ROBERTS		2014-10-18
Peter Garth Lever		2017-09-01
Thomas Kelly		2017-11-17

Linked charities

- ST BEES SCHOOL TRUST (1129534-1)
- ST BEES SCHOOL BURSARY FUND (1129534-2)

ST BEES SCHOOL

England & Wales - Charity number 1129534

Accounts

ST BEES SCHOOL
(A company limited by guarantee)



DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

Registered charity number: 1129534

Registered company number: 06595861

robinson+co

CHARTERED ACCOUNTANTS

ST BEES SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

CONTENTS

	Page
Company Information	1 - 2
Directors' Report	3 - 10
Independent Examiner's Report	11
Consolidated Statement of Financial Activities	12
Group and Company Balance Sheets	13
Consolidated Cash Flow Statement	14
Notes	15 - 35

ST BEES SCHOOL

COMPANY INFORMATION

FOR THE YEAR ENDED 31 JULY 2025

Charity number: 1129534

Company number: 06595861

Directors:

The directors of the company are also Governors of the School and trustees for the purposes of Charity law.

Mrs S J Calvin (Resigned 10 August 2024)

Mr M D George (Chairman)

Mr T Kelly

Mr P G Lever

Mr A D Lord

Mr M N Roberts

Dr A M Simper

Dr D J Thornley (Appointed 10 November 2024)

Officers:

Company Secretary:

Mr T Kelly

The Clerk to the Governors:

Mr T Kelly

The organisational management is carried out by the trustees themselves, whilst the day to day operations are undertaken by a small team of staff being supported by nominated local trustees.

ST BEES SCHOOL**COMPANY INFORMATION**

(continued)

FOR THE YEAR ENDED 31 JULY 2025

Principal Address and**Registered Office:**

Wood Lane
St Bees School
ST BEES
CA27 0DS

Advisers**Bankers:**

NatWest Bank plc
Chatham Customer Service Centre
Western Avenue
Waterside Court
Chatham Maritime
Chatham
Kent
ME4 4RT

Solicitors:

Brockbanks
6 Borrowdale Road
Keswick
CA12 5DB

Accountants:

robinson+co
Chartered Accountants
28 Lowther Street
Whitehaven
CA28 7DJ

Insurance Brokers:

Marsh Limited
Capital House
1-5 Perrymount Road
Haywards Heath
West Sussex
RH16 3SY

ST BEES SCHOOL

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2025

The Directors of St Bees School Trust present their annual report and financial statements for the year ended 31 July 2025, and confirm that they comply with the requirements of the Companies Act 2006 and the Charities Act 2011.

DEVELOPMENT OF THE SCHOOL

The Full Circle Group completed their seventh academic year as managers of the school. The Trust remains confident that the school is developing satisfactorily under their management and remain committed to supporting them to improve both the school facilities and the educational standards.

The St Bees School Trust remained focused on managing the School estate and commercial business activities to provide ongoing financial support to the development of the school and improvement of school facilities.

REFERENCE AND ADMINISTRATIVE INFORMATION

St Bees School was founded in 1583. The charitable company was formed on 19 May 2008 and is registered with the Charity Commission as charity number 1129534. The words 'Charity', 'Company', 'Charitable Company', 'Charitable Trust', 'Trust' and 'School' are used interchangeably to refer to St Bees School. The Trustees are listed on page 1. The registered office address of the Charity and the particulars of the Charity's advisers are given on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Whilst the School was founded in 1583, the charitable company is governed by its Memorandum and Articles of Association as adopted on 19 May 2008 and altered by Special Resolutions dated 1 August 2009 and 15 January 2016.

Governing Body

The directors of the Company are also trustees for the purposes of Charity law.

Composition of Governing Body post 15 January 2016

The number of Governors shall be not less than 6 and not more than 12 competent persons, being any of 4 Governors appointed by the Old St Beghians' Club as set out in article 8.2, 4 being appointed from the local community as set out in article 8.3 and not more than 4 co-opted Governors appointed by the Board of Governors.

Recruitment and Training of Trustees

Attention is paid to ensure that the Board of Trustees maintains a balance of skills and diversity in order to function effectively.

Organisational Management

The organisational management of the Trust is carried out by the Trustees themselves, whilst day to day commercial activities are undertaken by a small administrative team based at the Trust's Business Management Centre.

The Trustees comprise the key management personnel of the organisation. All trustees give of their time freely and no trustee remuneration was paid in the year.

Group Structure and Relationships

In May 2019 Full Circle Education Group assumed full responsibility for the operation of the St Bees School Management Company Limited. The Management Company being responsible for the majority of the onsite facilities. Full Circle operate the School under an Agreement with the Charitable Trust. The Agreement is retractable by the charity if the agreed educational and operational objectives are not achieved. Annual review procedures are in place to enable the Charity to monitor the performance of Full Circle in the role of school operator.

The Charity has a wholly owned subsidiary, St Bees School Enterprises Limited (company number 03422777) which was incorporated in August 1997. This is the commercial arm of the School and manages the Whitelaw Management Centre.

The Directors of the St Bees Enterprises Limited have continued to operate the Business Management Centre profitably during 2024/25.

St Bees School acts as trustee of two linked charities, St Bees School Trust and Bursary Fund. Although part of the School's permanent endowments are held by the company in trust for the charities, following the Charity Commission's order dated 10 July 2015 these endowments have been spent and replaced by appropriating expendable property as permanent endowment in their place.

OSB Nominee Limited (company number 08117070) and The Old St Beghian Guarantee Trust Fund are closely linked with the St Beghian Society, the alumni organisation for the School, and provide financial support to the Charitable Trust. The financial assistance provided via OSB Nominee Limited includes a loan creditor to the School in the sum of £1,792,274 as at 31 July 2025 (2024: £1,792,274). The debt was assigned and transferred from The Old St Beghian Guarantee Trust Fund to OSB Nominee Limited on 1 July 2023. The management of these entities is vested in Committee of Alumni.

Risk management

The Directors examine the major risks that the Charity faces on an ongoing basis to control and mitigate potential impacts.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Objects

The objects of the charity are to advance the education of boys and girls by the provision of a day and/or boarding school in or near St Bees or elsewhere in Cumbria and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

Strategies to Achieve the Objectives

Mission statement

The School was founded in 1583 by the then Archbishop of Canterbury, Edmund Grindal. The trustees' goal is to return an educational institution onto the St Bees campus in alignment with Edmund Grindal's principles. Our Mission is:

To re-establish St Bees School as a vibrant and sustainable centre for the outstanding education and all-round development of young people in accordance with Archbishop Grindal's legacy'.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Strategies to Achieve the Objectives (continued)

Objectives

- To have effective and transparent trusteeship;
- To maintain the existing assets and infrastructure in good order;
- To identify the most appropriate operating model for St Bees School; and
- To secure the necessary investment and support to develop the existing assets and infrastructure to support the identified model.

Progress

Pupil numbers consolidated around the 100 mark, with improved income as revenue per pupil continued to increase.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities, and how these planned activities will contribute to the aims and objectives they have set. In particular, the trustees have given careful consideration to the supplementary public benefit guidance on advancing education and on fee-charging.

STRATEGIC REPORT

The Strategic Report, as required by the Companies Act 2006, is included within this Directors' Report and comprises the sections on Policies through to Future Plans.

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

The Business Management Centre remains active and is searching for a new tenant for the upper floor of the building which will enable it to maintain a solid contribution to Trust finances.

Liquidation of assets has reduced and, post-year end, eradicated the debt to Full Circle.

The Trust continues to support students with bursary awards.

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2025

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

As explained in note 1.1 to the accounts, the Directors believe that, whilst there are material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue to adopt the going concern basis of accounting in the future, the going concern presumption is nevertheless valid and they have not departed from this basis.

Although the School has been re-opened from September 2018, the material uncertainties relate to the viability, both financial and non-financial, of the re-establishing of the School on the St Bees campus.

The basis of preparation continues to include, where appropriate, the writing down of the company's assets to net realisable value. Provision has also been made for any onerous contractual commitments at the balance sheet date. The financial statements do not include any provision for the future costs of terminating any part of the business of the company except to the extent that such were committed at the balance sheet date.

The net consolidated income for the year amounted to £190,395 (2024: £277,807). Income decreased by 31.5% from last year. Total consolidated expenditure decreased by 21.9% from last year.

The Trust reported an operating deficit, excluding covenant from the subsidiary, on the General Fund of £59,690 for the year ended 31 July 2025, against an operating deficit of £29,009 for the year ended 31 July 2024. Profits of £47,812 (2024: £45,993) were transferred from the subsidiary company, St Bees Enterprises Limited, via deed of covenant.

During the year the Trust recognised legacies amounting to £nil (2024: £36,640) and donations amounting to £981 (2024: £776).

The Trust's freehold land and buildings were valued at £4,427,500 on 31 July 2025 by the directors. The basis of valuation used was market value. The directors considered that this figure was an accurate valuation of the properties as at 31 July 2025. As a result there was no surplus or deficit on revaluation for the year ended 31 July 2025 (2024: no surplus or deficit).

There were no property sales during the current year. Proceeds of £38,493 were received from the sale of land at Abbey Road during the year ended 31 July 2024.

The trading subsidiary ran the Business Management Centre throughout the year, with profits consistent with prior periods despite a slight decrease in revenue.

The profit for St Bees Enterprises Limited for the year ended 31 July 2025 was £44,144 (2024: profit of £49,088), prior to calculation of taxable profits to be covenanted to the Trust of £47,812 (2023: £45,993).

The net movement in funds, as shown by the consolidated statement of financial activities, for the year ended 31 July 2025 was a deficit of £1,686 (2024: Surplus of £74,344 after allowing for legacy income of £36,640 and a gain on investment assets of £42,500).

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2025

Reserves

Note 22 to the accounts shows the assets and liabilities attributable to the various funds by type. Notes 23 and 24 describe the various funds of the Charity and summarise the year's movements on each fund. Group unrestricted funds amounted to £1,237,286 (2024: £1,252,832) however there were no free reserves available in either year.

The School's general fund showed a deficit of £1,769,848 (2024: Deficit of £1,770,830).

The Trust's unrestricted reserves are primarily invested in tangible fixed assets which are used for its direct charitable activities. Current policy following the closure of the School in 2015 is to preserve funds as far as possible whilst alternative future possibilities are explored. This includes the maintenance of the existing assets and infrastructure and generation of income needed to sustain the necessary transitional activities.

The Trustees are taking steps to reduce the deficit on general funds in line with best practice.

Investment Policy and Objectives

Investment powers are governed by the Memorandum and Articles of Association. Investment decisions are made by the trustees with the assistance of professional investment advisers. The investment portfolio is no longer active and therefore the investment advisers have ceased in making monthly reports to the trustees and holding meetings to discuss the investment policy and portfolio performance. Consequently no investment performance is reported in the year.

Previously, investments were held to create income and capital growth pending utilisation, whilst preserving the value of endowment funds.

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2025

PRINCIPAL RISKS AND UNCERTAINTIES

As stated on page 4, the trustees examine the major risks that the charity faces each financial year. These are summarised as follows:

Financial risks and uncertainties

These risks and uncertainties include potential increases in costs, major fire/disaster, cash flow and political change leading to business rates relief exemptions being removed.

Personnel risks and uncertainties

These include loss and recruitment of key personnel and compliance with employment legislation.

Administrative risks and uncertainties

This risk has been identified as security of data held on IT systems.

Safety risks and uncertainties

Risks and uncertainties arise from safeguarding of staff and the public and compliance with health and safety and fire regulations.

Governance risks and uncertainties

These include insuring potential liability claims and the impact of inadequate insurance, and discharging statutory responsibilities.

Other risks and uncertainties

The principal other risk is from a loss of reputation. Further risks include unauthorised site access and dilapidation to buildings and facilities.

The Charity has developed systems to monitor and control the above risks, where possible, to mitigate any impact that they may have on it in the future.

FUTURE PLANS

The Trustees aim to increase financial support to the School further and support more students in their academic journey. This will be achieved through the sales of further Trust assets superfluous to the requirements of the current school at the same time generating increased revenues from commercial activity and reducing costs associated with running the Trust.

A loan of £100,000 has been made in November 2025 to Full Circle to provide further support.

DIRECTORS

The Directors who served during the year are set out on page 1.

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2025

ACCOUNTING AND REPORTING RESPONSIBILITIES

The Charities Act 2011 and the Companies Act 2006 require the directors of the charitable company and group to prepare financial statements for each financial year which give a true and fair view of its financial activities during the year and its financial position at the end of the year.

In preparing the financial statements the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards and the Charities SORP, disclosing and explaining any departures in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

The Directors are responsible for keeping proper accounting records which are such as to disclose, with reasonable accuracy, the financial position of the Company at any time, and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

In approving the Directors' Report the trustees are also approving the Strategic Report in their capacity as company directors.

Approved by the Board of Directors on 21 April 2026
and signed on its behalf by:

M D George
Director

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
ON THE UNAUDITED FINANCIAL STATEMENTS OF ST BEES SCHOOL
FOR THE YEAR ENDED 31 JULY 2025**

I report on the accounts of St Bees School for the year ended 31 July 2025 set out on pages 12 to 35.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act), and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Charities Act, to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Charities Act, and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(i) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep proper accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
- have not been met; or

(ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Jason Spires BSc FCA DChA
robinson+co, Chartered Accountants
28 Lowther Street
Whitehaven
CA28 7DJ**

Date: 21 April 2026

ST BEES SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2025

	Notes	Unrestricted Funds Trust £	Other Funds £	Restricted Funds £	Endowed Funds £	Total 2025 £	<i>Total 2024 £</i>
INCOME							
Donations and legacies							
Donations	3	981	-	-	-	981	776
Legacies	4	-	-	-	-	-	36,640
Other trading activities							
Trading income	5	-	146,309	-	-	146,309	157,937
Rent receivable		29,192	-	-	-	29,192	31,682
Income from Charitable Activities							
Charitable activity income	6	53	-	-	13,860	13,913	12,279
Other Income							
Profit on disposal of fixed assets	7	-	-	-	-	-	38,493
Total income and endowments		30,226	146,309	-	13,860	190,395	277,807
EXPENDITURE							
Expenditure on Raising funds							
Trading expenditure		-	101,973	-	-	101,973	108,522
Interest	8	561	192	-	-	753	6,298
		561	102,165	-	-	102,726	114,820
Expenditure on Charitable activities							
Schools and grantmaking:							
Continuing activities	10	89,355	-	-	-	89,355	131,143
		89,355	-	-	-	89,355	131,143
Total expenditure	7-9	89,916	102,165	-	-	192,081	245,963
Gains/(losses) on investment assets							
- Realised	13	-	-	-	-	-	42,500
		-	-	-	-	-	42,500
Net income/(expenditure) before transfers		(59,690)	44,144	-	13,860	(1,686)	74,344
Transfers between funds	22-23	47,812	(47,812)	-	-	-	-
		(11,878)	(3,668)				
NET INCOME/(EXPENDITURE)		(15,546)		-	13,860	(1,686)	74,344
Gains/(losses) on revaluation of fixed assets							
	12	-		-	-	-	-
NET MOVEMENT IN FUNDS		(15,546)		-	13,860	(1,686)	74,344
Balances brought forward							
at 1 August 2024		1,252,832		-	1,464,991	2,717,823	2,643,479
FUND BALANCES at 31 July 2025		1,237,286		-	1,478,851	2,716,137	2,717,823

All amounts derive from continuing activities, unless otherwise stated.

All gains and losses recognised in the the year are included in the Statement of Financial Activities.

The notes on pages 15 to 35 form part of these accounts

ST BEES SCHOOL

BALANCE SHEET

AS AT 31 JULY 2025

		Consolidated		Trust	
	Notes	2025	2024	2025	2024
		£	£	£	£
FIXED ASSETS					
School buildings and equipment	12	4,445,567	4,449,583	4,427,948	4,428,297
Investments	13	-	-	2	2
		<u>4,445,567</u>	<u>4,449,583</u>	<u>4,427,950</u>	<u>4,428,299</u>
CURRENT ASSETS					
Stocks	14	200	200	200	200
Debtors	15	73,783	81,695	106,954	106,014
Cash at bank and in hand		32,582	93,802	10,705	45,356
		<u>106,565</u>	<u>175,697</u>	<u>117,859</u>	<u>151,570</u>
CREDITORS: due within one year	16	<u>(1,835,995)</u>	<u>(1,902,774)</u>	<u>(1,855,158)</u>	<u>(1,891,200)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(1,729,430)</u>	<u>(1,727,077)</u>	<u>(1,737,299)</u>	<u>(1,739,630)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,716,137</u>	<u>2,722,506</u>	<u>2,690,651</u>	<u>2,688,669</u>
CREDITORS: due after more than one year	17	<u>-</u>	<u>(4,683)</u>	<u>-</u>	<u>-</u>
TOTAL NET ASSETS		<u><u>2,716,137</u></u>	<u><u>2,717,823</u></u>	<u><u>2,690,651</u></u>	<u><u>2,688,669</u></u>
ENDOWED FUNDS	23	1,478,851	1,464,991	1,478,851	1,464,991
RESTRICTED FUNDS		-	-	-	-
UNRESTRICTED FUNDS					
Unrestricted income funds		(1,101,622)	(956,076)	(1,127,108)	(985,230)
Revaluation reserve		2,338,908	2,208,908	2,338,908	2,208,908
	24	<u>1,237,286</u>	<u>1,252,832</u>	<u>1,211,800</u>	<u>1,223,678</u>
TOTAL FUNDS		<u><u>2,716,137</u></u>	<u><u>2,717,823</u></u>	<u><u>2,690,651</u></u>	<u><u>2,688,669</u></u>

The financial statements on pages 12 - 35 were approved by the Directors on 21 April 2026 and signed on their behalf by:

M D George
Director

Registered number 06595861
England and Wales

The notes on pages 15 to 35 form part of these accounts.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2025

	Notes	2025 £	2024 £
Cash provided by/(used in) operating activities	25	(18,984)	(9,461)
Cash flows from investing activities			
Proceeds from the sale of property, plant and equipment		-	38,493
Purchase of property, plant and equipment		(704)	(8,445)
Proceeds from the sale of investments		-	42,500
Cash provided by/(used in) investing activities		(704)	72,548
Cash flows from financing activities			
Repayment of borrowing		(55,392)	(63,691)
Receipt of endowment		13,860	11,765
Cash (used in)/provided by financing activities		(41,532)	(51,926)
Increase in cash and cash equivalents in the year		(61,220)	11,161
Cash and cash equivalents at the beginning of the year		93,802	82,641
Cash and cash equivalents at the end of the year		32,582	93,802

The notes on pages 15 to 35 form part of these accounts.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are summarised below.

1.1 Basis of accounting

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The Directors believe that, whilst there are material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue to adopt the going concern basis of accounting in the future, the going concern presumption is nevertheless valid and they have not departed from this basis.

Although the School has been re-opened from September 2018, the material uncertainties relate to the viability, both financial and non-financial, of the re-establishing of the School on the St Bees campus.

The basis of preparation continues to include, where appropriate, the writing down of the company's assets to net realisable value. Provision has also been made for any onerous contractual commitments at the balance sheet date. The financial statements do not include any provision for the future costs of terminating any part of the business of the company except to the extent that such were committed at the balance sheet date.

The charity's presentational currency is UK sterling, rounded to the nearest £1.

The charity constitutes a public benefit entity as defined by FRS 102.

1.2 Group accounts

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary, St Bees Enterprises Limited, on a line by line basis. A separate statement of financial activities for the charitable company itself is not presented because it has taken advantage of the exemptions afforded by paragraph 408 of the Companies Act 2006.

1.3 Donations and fund accounting

Donations receivable for the general purposes of the Charity are credited to unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds where these wishes are legally binding on the trustees, except that donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments - permanent or expendable according to the nature of the restriction.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

1 Accounting policies (continued)

1.4 Income

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

Amounts receivable for services and use of premises are accounted for in the period in which the service is provided.

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Income from investments is included in the year in which it is receivable.

1.5 Expenditure

Expenditure is accounted for on an accruals basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the period, either by reference to staff time or space occupied, as appropriate. Expenditure is stated inclusive of irrecoverable or non-attributable VAT, with any partially recoverable element being credited to the Statement of Financial Activities separately.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Expenditure on charitable activities comprises those costs incurred in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the trustees, and all the costs of complying with constitutional and statutory requirements, such as the cost of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability. These costs are included in support costs within expenditure on charitable activities.

1.6 Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

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

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

1 Accounting policies (continued)

1.7 Pension schemes

Contributions are made in respect of defined contribution pension schemes of certain employees.

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

1.8 Tangible fixed assets and depreciation

The School's freehold land and buildings are included in the accounts at valuation.

Freehold land is not depreciated. Freehold buildings are depreciated at 2% on a reducing balance basis. As the School's properties were revalued as at 31 July 2023, no depreciation has been provided for on these during the year.

Short leasehold buildings improvements are depreciated on a straight line basis over the remaining period of the lease.

Assets costing less than £2,000 are not capitalised.

Other fixed assets are included at cost and depreciation is calculated to write off their cost or valuation less any residual value on a straight line basis over their estimated useful lives as follows:

Computer Equipment	- over 3 years
Other Equipment	- over 10 years

An impairment review was carried out on fixed assets and where it was considered that their carrying amount exceeded the higher of their recoverable amount or value in use the assets were written down as necessary.

1.9 Investments

Fixed asset investments are included in the accounts at the mid-market value of each investment as at the balance sheet date. A note is also shown of the cost of each investment at that date. Gains and losses on disposal or revaluation of investments are charged or credited to the SOFA.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost. The carrying amount is then adjusted for the post-acquisition change in the Trust's share of net assets in the joint venture entity. The carrying amount of the investment in the joint venture is subsequently adjusted through the SOFA to reflect the Trust's share of the its results.

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.11 Financial instruments

The company only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at amortised cost.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

1 Accounting policies (continued)

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

2 Statutory information

St Bees School is a private company, limited by guarantee, domiciled in England and Wales, registration number 06595861. The registered office is Wood Lane, St Bees School, St Bees, Cumbria, CA27 0DS. The company is a registered charity, number 1129534.

3 Donations

During the year the Trust received donations amounting to £981 (2024: £776). All of these donations, for both years, are attributable to unrestricted income funds.

4 Legacies

During the year the Trust received legacies amounting to £nil (2024: £36,640). All of the legacy income is attributable to unrestricted income funds.

5 Trading income

	Consolidated		Trust	
	2025	2024	2025	2024
	£	£	£	£
Business Management Centre fees	146,309	<i>157,937</i>	-	-
	146,309	<i>157,937</i>	-	-

All of the above income is attributable to unrestricted income funds.

The Trust's wholly-owned subsidiary, St Bees Enterprises Limited, initially took over the trading aspects of the charity's activities, including the running of the Business Management Centre and Golf Course, from 1 September 1997. After the closure of the School on 3 July 2015 the subsidiary took over the running of additional activities, including sports facility lettings and Holidayfests. From 1 September 2017 all activities, save for the running of the Business Management Centre, were taken over by St Bees School Management Company Limited, the Trust's joint venture company.

The trading results of St Bees Enterprises Limited, extracted from its accounts, are shown in note 13.

6 Charitable activity income

	Consolidated and Trust	
	2025	2024
	£	£
General funds		
VAT reclaimed	53	<i>503</i>
Sundry income	-	<i>15</i>
	53	<i>518</i>
Endowment funds		
Royalties received	13,860	<i>11,761</i>
	13,913	<i>12,279</i>

7 Other income

	Consolidated and Trust	
	2025	2024
	£	£
Profit on disposal of fixed assets - Charity	-	<i>38,493</i>
	-	<i>38,493</i>

All of the other income in year ended 31 July 2025 and year ended 31 July 2024 was attributable to unrestricted income funds.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

8	Interest payable	2025	2024
		£	£
	Loan interest payable to Full Circle Education Limited	561	<i>5,971</i>
	Other interest	-	-
	Total for Charity	561	<i>5,971</i>
	Bank loan interest payable by subsidiary	192	<i>327</i>
	Total for Group	753	<i>6,298</i>

All of the interest payable in year ended 31 July 2025 and year ended 31 July 2024 was attributable to unrestricted funds.

9	Expenditure	Consolidated		Trust	
		2025	2024	2025	2024
		£	£	£	£
	Charitable Activity expenditure includes:				
	Staff costs (note 11)	60,258	<i>71,986</i>	6,938	<i>21,834</i>
	Depreciation of tangible fixed assets (note 12)				
	owned assets	4,720	<i>5,698</i>	349	<i>349</i>
	Independent Examiner's fee	1,170	<i>1,085</i>	1,170	<i>1,085</i>

10	Analysis of total resources expended	Staff costs	Other	Depreciation and impairment	Total 2025	Total 2024
		£	£	£	£	£
	Expenditure on Raising funds:					
	Interest	-	561	-	561	5,971
	Total for charity	-	561	-	561	5,971
	Trading costs of the subsidiary	53,320	44,282	4,371	101,973	108,522
	Interest costs of the subsidiary	-	192	-	192	327
	Total for group	53,320	45,035	4,371	102,726	114,820
	Expenditure on Charitable activities:					
	Continuing activities:					
	Grants payable	-	18,400	-	18,400	18,100
	Establishment costs	6,938	55,020	-	61,958	91,460
	Administration	-	8,648	349	8,997	21,583
	Total for charity and group	6,938	82,068	349	89,355	131,143
	Total expenditure - Group	60,258	127,103	4,720	192,081	245,963
	Total expenditure - Charity	6,938	82,629	349	89,916	137,114

During the year ended 31 July 2025 the total group expenditure of £192,081 was entirely attributable to unrestricted funds. During the year ended 31 July 2024 the total group expenditure of £245,963 was entirely attributable to unrestricted funds.

ST BEES SCHOOL**NOTES ON FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 JULY 2025**

11 Staff costs	2025	2024
	£	£
Wages and salaries	58,688	68,349
Social security costs	348	1,556
Pension costs	1,222	2,081
	60,258	71,986
The average number of employees in the year was:	Number	Number
Domestic, maintenance and other staff	4	4
Administration	3	3
	7	7

The trustees are not remunerated, and no expenses were paid during the year (2024: £nil).

There were no higher paid employees during the year (2024: None).

Defined contribution pension schemes

Pension contributions are made in respect of the defined contribution pension schemes of certain employees. The pension cost charge represents contributions payable by the group to the funds and amounted to £1,222 (2024: £2,081). Contributions amounting to £461 (2024: £nil) are included in creditors at the year end.

12 Tangible fixed assets

Consolidated	Fixtures Fittings and Equipment £	Freehold Land and Buildings £	Total £
Cost or valuation			
1st August 2024	116,738	4,427,500	4,544,238
Additions	704	-	704
Disposals	(15,609)	-	(15,609)
Revaluations	-	-	-
31st July 2025	101,833	4,427,500	4,529,333
Depreciation			
1st August 2024	94,655	-	94,655
Charge for year	4,720	-	4,720
Disposals	(15,609)	-	(15,609)
Revaluations	-	-	-
31st July 2025	83,766	-	83,766
Impairment			
1st August 2024	-	-	-
Charge for year	-	-	-
Disposals	-	-	-
31st July 2025	-	-	-
Net book values			
31st July 2025	18,067	4,427,500	4,445,567
<i>31st July 2024</i>	<i>22,083</i>	<i>4,427,500</i>	<i>4,449,583</i>

12 Tangible fixed assets (continued)

Trust	Fixtures Fittings and Equipment £	Freehold Land and Buildings £	Total £
Cost or valuation			
1st August 2024	35,609	4,427,500	4,463,109
Additions	-	-	-
Disposals	(15,609)	-	(15,609)
Revaluations	-	-	-
31st July 2025	20,000	4,427,500	4,447,500
Depreciation			
1st August 2024	34,812	-	34,812
Charge for year	349	-	349
Disposals	(15,609)	-	(15,609)
Revaluations	-	-	-
31st July 2025	19,552	-	19,552
Impairment			
1st August 2024	-	-	-
Charge for year	-	-	-
Disposals	-	-	-
31st July 2025	-	-	-
Net book values			
31st July 2025	448	4,427,500	4,427,948
<i>31st July 2024</i>	<i>797</i>	<i>4,427,500</i>	<i>4,428,297</i>

12 Tangible fixed assets (continued)

The Trust's freehold land and buildings were valued at £4,427,500 on 31 July 2025 by the directors. The basis of valuation used was market value. The directors considered that this figure was an accurate valuation of the properties as at 31 July 2025. As a result there was no surplus or deficit on revaluation for the year ended 31 July 2025 (2024: No surplus or deficit).

It should be noted that the valuation above is based on the Trust's properties being marketed in an orderly way, which the directors believe presents a true and fair view. Should the properties be sold to one individual as a single lot the valuation would be lower.

An impairment review was carried out on fixed assets at the year end and it was concluded that there was no impairment.

Tangible fixed assets included at a valuation would have been included on a historical cost basis at:

	Consolidated and School	
	2025	2024
	£	£
Cost	2,083,875	2,083,875
Depreciation	(577,134)	(546,384)
Net book value	1,506,741	1,537,491

The figures stated above for cost or valuation include valuations as follows:

	Consolidated		School	
	2025	2024	2025	2024
	£	£	£	£
At cost	-	-	-	-
At valuation	4,427,500	4,427,500	4,427,500	4,427,500
	4,427,500	4,427,500	4,427,500	4,427,500

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

13 Fixed asset investments	2025	2024
	£	£
Consolidated market value as above		-
Share of net assets in joint ventures - valued on equity method		
Investment in St Bees School Management Company Ltd - 25% of net assets.	-	-
Group undertakings - valued at fair value		
Investment in St Bees Enterprises Ltd - Ordinary £1 shares	2	2
Total for Trust	2	2
<u>Less:</u> Eliminated on consolidation	(2)	(2)
Total for Group	-	-

Investment in St Bees School Management Company Limited:

In June 2017 a joint venture company, St Bees School Management Company Limited (company number 10812320), was established. This company has taken on the responsibility for re-opening the School and all its operational activity and its support activities. The joint venture is a limited company registered in England and Wales which is wholly owned by Full Circle Education Group and St Bees School Trust.

Until 31 May 2019 the Trust was responsible for 25% of the investment in the joint venture company, with Full Circle being responsible for 75%. Thereafter Full Circle assumed full responsibility for the operation of St Bees School Management Company Limited.

Following reconciliation of the total amount invested in St Bees School Management Company Limited, an adjustment of £nil was made during year ended 31 July 2025 to the realised gain/loss on the joint venture company investment (2024: £42,500 gain).

Investment in St Bees Enterprises Ltd:

The Trust owns 100% of the ordinary shares in St Bees Enterprises Limited, which initially took over the trading aspects of the charity's activities, including the running of the Business Management Centre and the Golf Course, from 1st September, 1997. After the closure of the School on 3 July 2015, the subsidiary took over the running of additional activities, including sports facility lettings and Holidayfests. From 1 September 2017 all activities, save for the running of the Business Management Centre, were taken over by St Bees School Management Company Limited, the Trust's joint venture company. St Bees Enterprises Ltd, which was incorporated on 20th August 1997, covenants its taxable profits to the Trust. The company registration number is 0342277.

13 Fixed asset investments (continued)**Investment in St Bees Enterprises Ltd (continued):**

The trading results of St Bees Enterprises Limited, extracted from its accounts were:-

	2025 £	2024 £
Turnover	146,309	157,937
Cost of sales	(26,893)	(31,923)
Gross profit	119,416	126,014
Administration	(75,080)	(76,599)
Other operating income	-	-
Operating (loss)/profit for the year:	44,336	49,415
Interest received	-	-
Interest payable	(192)	(327)
Net (loss)/profit before taxation	44,144	49,088
Taxation	-	-
Net (loss)/profit after taxation	44,144	49,088
Covenant - gross	(47,812)	(45,993)
Retained (loss)/profit	(3,668)	3,095

The assets and liabilities of St Bees Enterprises Ltd were:

	2025 £	2024 £
Tangible fixed assets	17,619	21,286
Current assets	67,186	76,045
	84,805	97,331
Creditors: amounts falling due within one year	(59,321)	(63,496)
Creditors: amounts falling due after one year	-	(4,683)
	25,484	29,152
Represented by:		
Share capital	2	2
Profit and loss account	25,482	29,150
	25,484	29,152

There were no amounts invoiced by the Trust or the subsidiary company to the other party for goods and services provided in either the current or prior year.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

14 Stocks

	Consolidated and Trust	
	2025 £	2024 £
Heating oil	200	200
	<u>200</u>	<u>200</u>

15 Debtors

	Consolidated		Trust	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	16,352	26,126	1,711	11,014
Loan to joint venture company	39,192	39,192	39,192	39,192
Covenanted profits due from trading company	-	-	47,812	45,993
Other debtors	-	7,468	-	906
Prepayments and accrued income	18,239	8,909	18,239	8,909
	<u>73,783</u>	<u>81,695</u>	<u>106,954</u>	<u>106,014</u>

The purpose of the loan to the joint venture company is to provide school equipment and stock. There are no formal repayment terms, and the loan is unsecured and interest-free. The Trust withdrew as a joint venturer on 31 May 2019 however the loan remains in place.

16 Creditors	Consolidated		Trust	
	2025	2024	2025	2024
Amounts falling due within one year	£	£	£	£
Bank loan	4,683	5,493	-	-
Trade creditors	1,992	8,125	1,984	4,249
Other taxation and social security	4,231	5,515	-	-
Other creditors	593	-	-	-
Accruals and deferred income	9,722	18,968	7,728	16,349
Loan - St Bees Enterprises Ltd	-	-	30,672	5,929
Loans - Full Circle Education Group (unsecured) - see below	22,500	72,399	22,500	72,399
Loans - OSB Nominee Limited (unsecured) - see below	1,792,274	1,792,274	1,792,274	1,792,274
	1,835,995	1,902,774	1,855,158	1,891,200

Loans - Full Circle Education Group

Full Circle Education Group is the Trust's co-venturer in St Bees School Management Company Limited, the joint venture company responsible for re-establishing the School. The loans from Full Circle were to assist with the Trust's financial commitments to invest in the joint venture. The loans are unsecured and interest is charged at a commercial rate as detailed in note 8 to the accounts.

Loans - OSB Nominee Limited

OSB Nominee Limited and The Old St Beghian Guarantee Trust Fund (OSBGTF) are part of the alumni organisation for the School. Funds have also been loaned to St Bees School, unsecured and interest free. There is no formal loan agreement in place. The Trust has received a letter of comfort from the OSBGTF stating that it is not, currently, their intention to demand repayment of all or any part of the loan. The debt was assigned and transferred from OSBGTF to OSB Nominee Limited on 1 July 2023.

Bank loan

The bank loan consists of a Bounce Back loan taken out by St Bees Enterprises Limited in May 2020.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

17 Creditors	Consolidated		School	
Amounts falling due after more than one year	2025 £	2024 £	2025 £	2024 £
Bank loan	-	4,683	-	-
	-	4,683	-	-
Bank loan	2025 £			2024 £
This is repayable as follows:				
In the next year - see note 16		4,683		5,493
In the second to fifth years		-		4,683
		4,683		10,176

Bank loan

The bank loan consists of a Bounce Back loan taken out by St Bees Enterprises Limited in May 2020.

18 Commitments

(a) At 31 July 2025 the Group and Trust had no operating lease commitments (2024: £nil).

(b) At 31 July 2025 the Group and Trust had no capital commitments (2024: £nil).

(c) At 31 July 2025 the Group and Trust had financial commitments of £nil (2024: £nil).

19 Going concern

St Bees School ceased to be operated by the charity on its closure at the end of the Summer Term 2015. Full details regarding the effect on going concern are given in note 1.1 to the accounts.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

20 Taxation

The Trust is a registered charity and is exempt from corporation tax under the provision of Section 478 of the Corporation Tax Act 2010.

St Bees Enterprises Limited is a trading subsidiary of the Trust and is liable to corporation tax on its taxable profits at the applicable rate.

21 Related party transactions

At 31 July 2025 the charity owed loans of £1,792,274 (2023: £1,792,274) to OSB Nominee Limited. This debt was assigned and transferred on 1 July 2023 from the Old St Beghian Guarantee Trust Fund, which is closely connected to the St Beghian Society, the alumni organisation for the School. Mr R Calvin, the spouse of Mrs S Calvin, a director of St Bees School during part of the year, is a director of OSB Nominee Limited and a trustee of the Old St Beghian Guarantee Trust Fund. Further details regarding the loans are included in note 16 to the accounts.

At 31 July 2025 the charity owed loans of £22,500 (2024: £72,399) to Full Circle Education Group, the Trust's co-venturer in St Bees School Management Company Limited. Additionally, accrued interest of £1,432 (2024: £5,971) was outstanding on these loans at the balance sheet date. Further details regarding the loans are included in note 16 to the accounts.

During the year St Bees School Management Company Limited, the Trust's joint venture company, invoiced the Trust for goods and services provided amounting to £20,074 (2024: £40,434). These items are included within administration expenses.

Under a deed of covenant dated 25 August 1998 the subsidiary company, St Bees Enterprises Limited, has covenanted to pay the parent charity, St Bees School, an annual sum not exceeding its taxable profits for the accounting year. For the year ended 31 July 2025 this amounted to £47,812 (2024: £45,993).

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

22 Allocation of the group net assets

Fund balances at 31 July 2025 as represented by:

	Fixed Assets	Current Assets	Current Liabilities	Provisions/ Long term Liabilities	Total
	£	£	£	£	£
Endowment funds	1,473,075	5,776	-	-	1,478,851
Restricted funds	-	-	-	-	-
Unrestricted funds	2,972,492	100,789	(1,835,995)	-	1,237,286
Total for group	4,445,567	106,565	(1,835,995)	-	2,716,137

Allocation of the group net assets - previous year

Fund balances at 31 July 2024 as represented by:

	Fixed Assets	Current Assets	Current Liabilities	Provisions/ Long term Liabilities	Total
	£	£	£	£	£
Endowment funds	1,464,247	744	-	-	1,464,991
Restricted funds	-	-	-	-	-
Unrestricted funds	2,985,336	174,953	(1,902,774)	(4,683)	1,252,832
Total for group	4,449,583	175,697	(1,902,774)	(4,683)	2,717,823

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

23 Analysis of movements in endowment funds

	Balance 1 August 2024 £	Incoming Resources £	Resources Expended £	Transfers and Gains/ (Losses) £	Balance 31 July 2025 £
<i>Permanent Funds:</i>					
Capital	1,000	-	-	-	1,000
Royalties	769,991	13,860	-	-	783,851
Capital replacement fund	694,000	-	-	-	694,000
Group and Trust	1,464,991	13,860	-	-	1,478,851

Analysis of movements in endowment funds - previous year

	Balance 1 August 2023 £	Incoming Resources £	Resources Expended £	Transfers and Gains/ (Losses) £	Balance 31 July 2024 £
<i>Permanent Funds:</i>					
Capital	1,000	-	-	-	1,000
Royalties	758,226	11,765	-	-	769,991
Capital replacement fund	694,000	-	-	-	694,000
Group and Trust	1,453,226	11,765	-	-	1,464,991

The capital fund represents a nominal amount relating to the original endowment of the School land and buildings.

The royalties fund has been created to provide for the loss of the permanent endowment on Birkham's Quarry, a sandstone quarry which was part of the original asset base of the Trust. As the sandstone is quarried, the asset is eroded and the royalties received replace the diminution in value of the asset. The income from royalties arises from land held on permanent endowment and is subsequently utilised on improvements to the Trust's land and buildings. The credit balance on the royalties fund is thus not represented by cash but by tangible fixed assets.

The direction by an order of the Charity Commission dated 10 July 2015 approved the expenditure of a total of £694,000 of endowment funds to expedite the winding down of the School's affairs following closure on 3 July 2015, under the power given in section 105 of the Charities Act 2011.

This expenditure is subject to the creation of a Capital replacement fund by appropriating expendable property to the value of £694,000 as permanent endowment in the records of the charity.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

24 Analysis of movements in unrestricted funds

	Balance 1 August 2024 £	Incoming Resources £	Resources Expended £	Transfers and Gains/ (Losses) £	Balance 31 July 2025 £
Designated:					
Extraordinary repair fund	32,000	-	-	1,000	33,000
Property revaluation reserve	2,338,908	-	-	-	2,338,908
Capital fund	623,601	-	-	(13,860)	609,741
Trust general fund	(1,770,830)	30,226	(89,916)	60,672	(1,769,848)
Sub-total - Trust	1,223,679	30,226	(89,916)	47,812	1,211,801
Reserves - St Bees Enterprises Limited	29,153	146,309	(102,165)	(47,812)	25,485
Consolidated funds	1,252,832	176,535	(192,081)	-	1,237,286

Analysis of movements in unrestricted funds - previous year

	Balance 1 August 2023 £	Incoming Resources £	Resources Expended £	Transfers and Gains/ (Losses) £	Balance 31 July 2024 £
Designated:					
Extraordinary repair fund	31,000	-	-	1,000	32,000
Property revaluation reserve	2,338,908	-	-	-	2,338,908
Capital fund	635,366	-	-	(11,765)	623,601
Trust general fund	(1,841,079)	108,105	(137,114)	99,258	(1,770,830)
Sub-total - Trust	1,164,195	108,105	(137,114)	88,493	1,223,679
Reserves - St Bees Enterprises Limited	26,058	157,937	(108,849)	(45,993)	29,153
Consolidated funds	1,190,253	266,042	(245,963)	42,500	1,252,832

The Charity Commission have directed that a yearly sum of not less than £1,000 shall be invested for the purpose of providing for the extraordinary repair, improvement or rebuilding of property belonging to the Trust.

The property revaluation reserve represents the surplus on revaluation of the charity's properties. The charity's properties were revalued during the year ended 31 July 2025 with no surplus or deficit arising (2024: No surplus or deficit arising).

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

24 Analysis of movements in unrestricted funds (continued)

The capital fund represents amounts invested in land and buildings, which were previously funded by loans from The Friends of St Bees School General Charitable Trust. The Friends converted all loans into a donation on 31 July 2017, £883,563 of which pertained to capital fund investment. Depreciation on the charity's property is charged to this fund. The capital fund stood at £609,741 at 31 July 2025 (2024: £623,601) following property disposals in subsequent periods, and is represented entirely by land and buildings.

During the year a transfer of £13,860 (2024: £11,765) was made from the capital fund to unrestricted general funds to ensure that the balances on the property revaluation reserve, unrestricted capital fund, and endowment funds equate to the current balance sheet total for land and buildings.

The Trust's general fund is retained to provide working capital and may be used for the charity's general purposes. The Trust's general fund showed a deficit of £1,769,848 at 31 July 2025 (2024: Deficit of £1,770,830).

The Trustees are taking steps to reduce the deficit on general funds in line with best practice.

25 Gross cash flows

	Group 2025 £	<i>Group 2024 £</i>
Reconciliation of net movement in funds to net cash inflow/(outflow) from operating activities		
Net movement in funds	(1,686)	74,344
Endowment donations	(13,860)	(11,765)
Depreciation	4,720	5,698
(Profit)/loss on sale of fixed assets	-	(38,493)
(Gains)/losses on investments	-	(42,500)
(Increase)/decrease in debtors	7,912	6,310
Increase/(decrease) in creditors	(16,070)	(3,055)
Net cash provided by/(used in) group operating activities	(18,984)	<i>(9,461)</i>

Accounts

ST BEES SCHOOL
(A company limited by guarantee)



DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

Registered charity number: 1129534

Registered company number: 06595861

robinson+co

CHARTERED ACCOUNTANTS

ST BEES SCHOOL

· FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

CONTENTS

	Page
Company Information	1 - 2
Directors' Report	3 - 10
Independent Examiner's Report	11
Consolidated Statement of Financial Activities	12
Group and Company Balance Sheets	13
Consolidated Cash Flow Statement	14
Notes	15 - 35

ST BEES SCHOOL

COMPANY INFORMATION

FOR THE YEAR ENDED 31 JULY 2024

Charity number: 1129534

Company number: 06595861

Directors:

The directors of the company are also Governors of the School and trustees for the purposes of Charity law.

Mrs S J Calvin (Resigned 10 August 2024)

Mr M D George (Chairman)

Mr T Kelly

Mr R F Lacey (Resigned 01 February 2024)

Mr P G Lever

Mr A D Lord

Mr M N Roberts

Dr A M Simper

Dr D J Thornley (Appointed 10 November 2024)

Officers:

Company Secretary:

Mr T Kelly

The Clerk to the Governors:

Mr T Kelly

The organisational management is carried out by the trustees themselves, whilst the day to day operations are undertaken by a small team of staff being supported by nominated local trustees.

ST BEES SCHOOL**COMPANY INFORMATION**

(continued)

FOR THE YEAR ENDED 31 JULY 2024**Principal Address and
Registered Office:**

Wood Lane
St Bees School
ST BEES
CA27 0DS

Advisers**Bankers:**

NatWest Bank plc
Chatham Customer Service Centre
Western Avenue
Waterside Court
Chatham Maritime
Chatham
Kent
ME4 4RT

Solicitors:

Brockbanks
6 Borrowdale Road
Keswick
CA12 5DB

Accountants:

robinson+co
Chartered Accountants
28 Lowther Street
Whitehaven
CA28 7DJ

Insurance Brokers:

Marsh Limited
Capital House
1-5 Perrymount Road
Haywards Heath
West Sussex
RH16 3SY

ST BEES SCHOOL

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2024

The Directors of St Bees School Trust present their annual report and financial statements for the year ended 31 July 2024, and confirm that they comply with the requirements of the Companies Act 2006 and the Charities Act 2011.

DEVELOPMENT OF THE SCHOOL

The Full Circle Group completed their sixth academic year as managers of the school. The Trust remains confident that the school is developing satisfactorily under their management and remain committed to supporting them to improve both the school facilities and the educational standards.

The St Bees School Trust remained focused on managing the School estate and commercial business activities to provide ongoing financial support to the development of the school and improvement of school facilities.

REFERENCE AND ADMINISTRATIVE INFORMATION

St Bees School was founded in 1583. The charitable company was formed on 19 May 2008 and is registered with the Charity Commission as charity number 1129534. The words 'Charity', 'Company', 'Charitable Company', 'Charitable Trust', 'Trust' and 'School' are used interchangeably to refer to St Bees School. The Trustees are listed on page 1. The registered office address of the Charity and the particulars of the Charity's advisers are given on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Whilst the School was founded in 1583, the charitable company is governed by its Memorandum and Articles of Association as adopted on 19 May 2008 and altered by Special Resolutions dated 1 August 2009 and 15 January 2016.

Governing Body

The directors of the Company are also trustees for the purposes of Charity law.

Composition of Governing Body post 15 January 2016

The number of Governors shall be not less than 6 and not more than 12 competent persons, being any of 4 Governors appointed by the Old St Beghians' Club as set out in article 8.2, 4 being appointed from the local community as set out in article 8.3 and not more than 4 co-opted Governors appointed by the Board of Governors.

Recruitment and Training of Trustees

Attention is paid to ensure that the Board of Trustees maintains a balance of skills and diversity in order to function effectively.

Organisational Management

The organisational management of the Trust is carried out by the Trustees themselves, whilst day to day commercial activities are undertaken by a small administrative team based at the Trust's Business Management Centre.

The Trustees comprise the key management personnel of the organisation. All trustees give of their time freely and no trustee remuneration was paid in the year.

ST BEES SCHOOL

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2024

Group Structure and Relationships

In May 2019 Full Circle Education Group assumed full responsibility for the operation of the St Bees School Management Company Limited. The Management Company being responsible for the majority of the onsite facilities. Full Circle operate the School under an Agreement with the Charitable Trust. The Agreement is retractable by the charity if the agreed educational and operational objectives are not achieved. Annual review procedures are in place to enable the Charity to monitor the performance of Full Circle in the role of school operator.

The Charity has a wholly owned subsidiary, St Bees School Enterprises Limited (company number 03422777) which was incorporated in August 1997. This is the commercial arm of the School and manages the Whitelaw Management Centre.

The Directors of the St Bees Enterprises Limited have continued to operate the Business Management Centre profitably during 2023/24.

St Bees School acts as trustee of two linked charities, St Bees School Trust and Bursary Fund. Although part of the School's permanent endowments are held by the company in trust for the charities, following the Charity Commission's order dated 10 July 2015 these endowments have been spent and replaced by appropriating expendable property as permanent endowment in their place.

OSB Nominee Limited (company number 08117070) and The Old St Beghian Guarantee Trust Fund are closely linked with the St Beghian Society, the alumni organisation for the School, and provide financial support to the Charitable Trust. The financial assistance provided via OSB Nominee Limited includes a loan creditor to the School in the sum of £1,792,274 as at 31 July 2024 (2023: £1,779,274). The debt was assigned and transferred from The Old St Beghian Guarantee Trust Fund to OSB Nominee Limited on 1 July 2023. The management of these entities is vested in Committee of Alumni.

Risk management

The Directors examine the major risks that the Charity faces on an ongoing basis to control and mitigate potential impacts.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Objects

The objects of the charity are to advance the education of boys and girls by the provision of a day and/or boarding school in or near St Bees or elsewhere in Cumbria and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

Strategies to Achieve the Objectives

Mission statement

The School was founded in 1583 by the then Archbishop of Canterbury, Edmund Grindal. The trustees' goal is to return an educational institution onto the St Bees campus in alignment with Edmund Grindal's principles. Our Mission is:

To re-establish St Bees School as a vibrant and sustainable centre for the outstanding education and all-round development of young people in accordance with Archbishop Grindal's legacy'.

ST BEES SCHOOL

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2024

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Strategies to Achieve the Objectives (continued)

Objectives

- To have effective and transparent trusteeship;
- To maintain the existing assets and infrastructure in good order;
- To identify the most appropriate operating model for St Bees School; and
- To secure the necessary investment and support to develop the existing assets and infrastructure to support the identified model.

Progress

Pupil numbers are being maintained around the 120 mark, although revenue per pupil is increasing.

Academic year 2023-24 was a year of progress academically through the dedication of the staff and continued commitment of Full Circle.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities, and how these planned activities will contribute to the aims and objectives they have set. In particular, the trustees have given careful consideration to the supplementary public benefit guidance on advancing education and on fee-charging.

ST BEES SCHOOL

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2024

STRATEGIC REPORT

The Strategic Report, as required by the Companies Act 2006, is included within this Directors' Report and comprises the sections on Policies through to Future Plans.

Policies

As part of the School reopening the following policies will be developed:-

- Access policy
- Bursary Policy
- Scholarship policy
- Project support policy

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

The Business Management Centre remains strong and a positive contribution to Trust revenues.

Reducing indebtedness to Full Circle has been a key focus and that has continued to reduce, and further asset sales will eradicate it altogether.

At the same time the Trust has been able to achieve its ultimate objective of financially supporting students through the school with bursary awards.

ST BEES SCHOOL

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2024

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

As explained in note 1.1 to the accounts, the Directors believe that, whilst there are material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue to adopt the going concern basis of accounting in the future, the going concern presumption is nevertheless valid and they have not departed from this basis.

Although the School has been re-opened from September 2018, the material uncertainties relate to the viability, both financial and non-financial, of the re-establishing of the School on the St Bees campus.

The basis of preparation continues to include, where appropriate, the writing down of the company's assets to net realisable value. Provision has also been made for any onerous contractual commitments at the balance sheet date. The financial statements do not include any provision for the future costs of terminating any part of the business of the company except to the extent that such were committed at the balance sheet date.

The net consolidated income for the year amounted to £277,807 (2023: £213,981). Income increased by 29.8% from last year. Total consolidated expenditure increased by 3.9% from last year.

The Trust reported an operating deficit, excluding covenant from the subsidiary, on the General Fund of £29,009 for the year ended 31 July 2024, against an operating deficit of £84,284 for the year ended 31 July 2023. Profits of £46,063 (2023: £45,993) were transferred from the subsidiary company, St Bees Enterprises Limited, via deed of covenant.

During the year the Trust recognised legacies amounting to £36,640 (2023: £nil) and donations amounting to £776 (2023: £5,541).

The Trust's freehold land and buildings were revalued at £4,427,500 on 31 July 2024 by the directors. The basis of valuation used was market value. The directors considered that this figure was an accurate valuation of the properties as at 31 July 2024. As a result there was no surplus or deficit on revaluation for the year ended 31 July 2024 (2023: no surplus or deficit).

Proceeds of £38,493 were received from the sale of land at Abbey Road during the year (2023: £414,853 received from the sale of Grindal House).

The trading subsidiary ran the Business Management Centre throughout the year, with revenues stabilising after recovery from the effects of the COVID-19 pandemic.

The profit for St Bees Enterprises Limited for the year ended 31 July 2024 was £49,088 (2023: profit of £44,220), prior to calculation of taxable profits to be covenanted to the Trust of £45,993 (2023: £46,063).

The net movement in funds, as shown by the consolidated statement of financial activities, for the year ended 31 July 2024 was a surplus of £74,344 after allowing for legacy income of £36,640 and a gain on investment assets of £42,500 (2023: Deficit of £22,708).

ST BEES SCHOOL

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2024

Reserves

Note 22 to the accounts shows the assets and liabilities attributable to the various funds by type. Notes 23 and 24 describe the various funds of the Charity and summarise the year's movements on each fund. Group unrestricted funds amounted to £1,190,253 (2023: £1,252,832) however there were no free reserves available in either year.

The School's general fund showed a deficit of £1,770,830 (2023: Deficit of £1,841,079 after transfers of £262,416 from the revaluation reserve and £152,437 from the capital fund following the sale of Grindal House).

The Trust's unrestricted reserves are primarily invested in tangible fixed assets which are used for its direct charitable activities. Current policy following the closure of the School in 2015 is to preserve funds as far as possible whilst alternative future possibilities are explored. This includes the maintenance of the existing assets and infrastructure and generation of income needed to sustain the necessary transitional activities.

The Trustees are taking steps to reduce the deficit on general funds in line with best practice.

Investment Policy and Objectives

Investment powers are governed by the Memorandum and Articles of Association. Investment decisions are made by the trustees with the assistance of professional investment advisers. The investment portfolio is no longer active and therefore the investment advisers have ceased in making monthly reports to the trustees and holding meetings to discuss the investment policy and portfolio performance. Consequently no investment performance is reported in the year.

Previously, investments were held to create income and capital growth pending utilisation, whilst preserving the value of endowment funds.

ST BEES SCHOOL

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2024

PRINCIPAL RISKS AND UNCERTAINTIES

As stated on page 4, the trustees examine the major risks that the charity faces each financial year. These are summarised as follows:

Financial risks and uncertainties

These risks and uncertainties include potential increases in costs, major fire/disaster, cash flow and political change leading to business rates relief exemptions being removed.

Personnel risks and uncertainties

These include loss and recruitment of key personnel and compliance with employment legislation.

Administrative risks and uncertainties

This risk has been identified as security of data held on IT systems.

Safety risks and uncertainties

Risks and uncertainties arise from safeguarding of staff and the public and compliance with health and safety and fire regulations.

Governance risks and uncertainties

These include insuring potential liability claims and the impact of inadequate insurance, and discharging statutory responsibilities.

Other risks and uncertainties

The principal other risk is from a loss of reputation. Further risks include unauthorised site access and dilapidation to buildings and facilities.

The Charity has developed systems to monitor and control the above risks, where possible, to mitigate any impact that they may have on it in the future.

FUTURE PLANS

The Trustees aim to increase financial support to the School further and support more students in their academic journey. This will be achieved through the sales of further Trust assets superfluous to the requirements of the current school at the same time generating increased revenues from commercial activity and reducing costs associated with running the Trust.

DIRECTORS

The Directors who served during the year are set out on page 1.

ST BEES SCHOOL

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2024

ACCOUNTING AND REPORTING RESPONSIBILITIES

The Charities Act 2011 and the Companies Act 2006 require the directors of the charitable company and group to prepare financial statements for each financial year which give a true and fair view of its financial activities during the year and its financial position at the end of the year.

In preparing the financial statements the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards and the Charities SORP, disclosing and explaining any departures in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

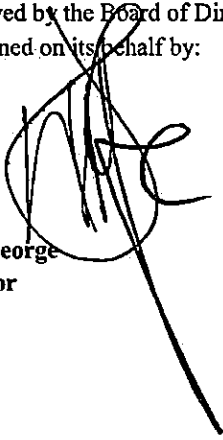
The Directors are responsible for keeping proper accounting records which are such as to disclose, with reasonable accuracy, the financial position of the Company at any time, and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

In approving the Directors' Report the trustees are also approving the Strategic Report in their capacity as company directors.

Approved by the Board of Directors on 16 April 2025
and signed on its behalf by:



M D George
Director

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
ON THE UNAUDITED FINANCIAL STATEMENTS OF ST BEES SCHOOL
FOR THE YEAR ENDED 31 JULY 2024**

I report on the accounts of St Bees School for the year ended 31 July 2024 set out on pages 12 to 35.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act), and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Charities Act, to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Charities Act, and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(i) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep proper accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Jason Spires BSc FCA DChA
robinson+co, Chartered Accountants
28 Lowther Street
Whitehaven
CA28 7DJ

Date: 16 April 2025

ST BEES SCHOOL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 JULY 2024

	Notes	Unrestricted Funds Trust £	Other Funds £	Restricted Funds £	Endowed Funds £	Total 2024 £	Total 2023 £
INCOME							
Donations and legacies							
Donations	3	776	-	-	-	776	5,541
Legacies	4	36,640	-	-	-	36,640	-
Other trading activities							
Trading income	5	-	157,937	-	-	157,937	149,667
Rent receivable		31,682	-	-	-	31,682	31,537
Income from Charitable Activities							
Charitable activity income	6	514	-	-	11,765	12,279	17,676
Other Income							
Profit on disposal of fixed assets	7	38,493	-	-	-	38,493	9,560
Total income and endowments		108,105	157,937	-	11,765	277,807	213,981
EXPENDITURE							
Expenditure on Raising funds							
Trading expenditure		-	108,522	-	-	108,522	104,987
Interest	8	5,971	327	-	-	6,298	11,626
		5,971	108,849	-	-	114,820	116,613
Expenditure on Charitable activities							
Schools and grantmaking:							
Continuing activities	10	131,143	-	-	-	131,143	120,076
		131,143	-	-	-	131,143	120,076
Total expenditure	7-9	137,114	108,849	-	-	245,963	236,689
Gains/(losses) on investment assets							
- Realised	13	42,500	-	-	-	42,500	-
		42,500	-	-	-	42,500	-
Net income/(expenditure) before transfers		13,491	49,088	-	11,765	74,344	(22,708)
Transfers between funds	22-23	45,993	(45,993)	-	-	-	-
		59,484	3,095				
NET INCOME/(EXPENDITURE)		62,579		-	11,765	74,344	(22,708)
Gains/(losses) on revaluation of fixed assets							
	12	-		-	-	-	-
NET MOVEMENT IN FUNDS		62,579		-	11,765	74,344	(22,708)
Balances brought forward at 1 August 2023		1,190,253		-	1,453,226	2,643,479	2,666,187
FUND BALANCES at 31 July 2024		1,252,832		-	1,464,991	2,717,823	2,643,479

All amounts derive from continuing activities, unless otherwise stated.

All gains and losses recognised in the the year are included in the Statement of Financial Activities.

The notes on pages 15 to 35 form part of these accounts

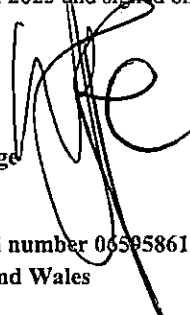
ST BEES SCHOOL

BALANCE SHEET

AS AT 31 JULY 2024

		Consolidated		Trust	
	Notes	2024	2023	2024	2023
		£	£	£	£
FIXED ASSETS					
School buildings and equipment	12	4,449,583	4,446,836	4,428,297	4,428,646
Investments	13	-	-	2	2
		4,449,583	4,446,836	4,428,299	4,428,648
CURRENT ASSETS					
Stocks	14	200	200	200	200
Debtors	15	81,695	88,006	106,014	106,449
Cash at bank and in hand		93,802	82,641	45,356	56,506
		175,697	170,847	151,570	163,155
CREDITORS: due within one year	16	(1,902,774)	(1,964,028)	(1,891,200)	(1,974,381)
NET CURRENT ASSETS/(LIABILITIES)		(1,727,077)	(1,793,181)	(1,739,630)	(1,811,226)
TOTAL ASSETS LESS CURRENT LIABILITIES		2,722,506	2,653,655	2,688,669	2,617,422
CREDITORS: due after more than one year	17	(4,683)	(10,176)	-	-
TOTAL NET ASSETS		2,717,823	2,643,479	2,688,669	2,617,422
ENDOWED FUNDS	23	1,464,991	1,453,226	1,464,991	1,453,226
RESTRICTED FUNDS		-	-	-	-
UNRESTRICTED FUNDS					
Unrestricted income funds		(1,086,076)	(1,411,071)	(1,115,230)	(1,174,712)
Revaluation reserve		2,338,908	2,601,324	2,338,908	2,338,908
	24	1,252,832	1,190,253	1,223,678	1,164,196
TOTAL FUNDS		2,717,823	2,643,479	2,688,669	2,617,422

The financial statements on pages 12 - 35 were approved by the Directors on 16 April 2025 and signed on their behalf by:


M D George
Director

Registered number 06595861
England and Wales

The notes on pages 15 to 35 form part of these accounts.

ST BEES SCHOOL

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2024

	Notes	2024 £	2023 £
Cash provided by/(used in) operating activities	25	(9,461)	(103,044)
Cash flows from investing activities			
Proceeds from the sale of property, plant and equipment		38,493	424,413
Purchase of property, plant and equipment		(8,445)	(2,222)
Proceeds from the sale of investments		42,500	-
Cash provided by/(used in) investing activities		<u>72,548</u>	<u>422,191</u>
Cash flows from financing activities			
Repayment of borrowing		(63,691)	(288,518)
Receipt of endowment		11,765	17,351
Cash (used in)/provided by financing activities		<u>(51,926)</u>	<u>(271,167)</u>
Increase in cash and cash equivalents in the year		11,161	47,980
Cash and cash equivalents at the beginning of the year		<u>82,641</u>	<u>34,661</u>
Cash and cash equivalents at the end of the year		<u>93,802</u>	<u>82,641</u>

The notes on pages 15 to 35 form part of these accounts.

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are summarised below.

1.1 Basis of accounting

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The Directors believe that, whilst there are material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue to adopt the going concern basis of accounting in the future, the going concern presumption is nevertheless valid and they have not departed from this basis.

Although the School has been re-opened from September 2018, the material uncertainties relate to the viability, both financial and non-financial, of the re-establishing of the School on the St Bees campus.

The basis of preparation continues to include, where appropriate, the writing down of the company's assets to net realisable value. Provision has also been made for any onerous contractual commitments at the balance sheet date. The financial statements do not include any provision for the future costs of terminating any part of the business of the company except to the extent that such were committed at the balance sheet date.

The charity's presentational currency is UK sterling, rounded to the nearest £1.

The charity constitutes a public benefit entity as defined by FRS 102.

1.2 Group accounts

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary, St Bees Enterprises Limited, on a line by line basis. A separate statement of financial activities for the charitable company itself is not presented because it has taken advantage of the exemptions afforded by paragraph 408 of the Companies Act 2006.

1.3 Donations and fund accounting

Donations receivable for the general purposes of the Charity are credited to unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds where these wishes are legally binding on the trustees, except that donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments - permanent or expendable according to the nature of the restriction.

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies (continued)

1.4 Income

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

Amounts receivable for services and use of premises are accounted for in the period in which the service is provided.

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Income from investments is included in the year in which it is receivable.

1.5 Expenditure

Expenditure is accounted for on an accruals basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the period, either by reference to staff time or space occupied, as appropriate. Expenditure is stated inclusive of irrecoverable or non-attributable VAT, with any partially recoverable element being credited to the Statement of Financial Activities separately.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Expenditure on charitable activities comprises those costs incurred in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the trustees, and all the costs of complying with constitutional and statutory requirements, such as the cost of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability. These costs are included in support costs within expenditure on charitable activities.

1.6 Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

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

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies (continued)

1.7 Pension schemes

Contributions are made in respect of defined contribution pension schemes of certain employees.

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

1.8 Tangible fixed assets and depreciation

The School's freehold land and buildings are included in the accounts at valuation.

Freehold land is not depreciated. Freehold buildings are depreciated at 2% on a reducing balance basis. As the School's properties were revalued as at 31 July 2023, no depreciation has been provided for on these during the year.

Short leasehold buildings improvements are depreciated on a straight line basis over the remaining period of the lease.

Assets costing less than £2,000 are not capitalised.

Other fixed assets are included at cost and depreciation is calculated to write off their cost or valuation less any residual value on a straight line basis over their estimated useful lives as follows:

Computer Equipment	- over 3 years
Other Equipment	- over 10 years

An impairment review was carried out on fixed assets and where it was considered that their carrying amount exceeded the higher of their recoverable amount or value in use the assets were written down as necessary.

1.9 Investments

Fixed asset investments are included in the accounts at the mid-market value of each investment as at the balance sheet date. A note is also shown of the cost of each investment at that date. Gains and losses on disposal or revaluation of investments are charged or credited to the SOFA.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost. The carrying amount is then adjusted for the post-acquisition change in the Trust's share of net assets in the joint venture entity. The carrying amount of the investment in the joint venture is subsequently adjusted through the SOFA to reflect the Trust's share of the its results.

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.11 Financial instruments

The company only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at amortised cost.

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies (continued)

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

2 Statutory information

St Bees School is a private company, limited by guarantee, domiciled in England and Wales, registration number 06595861. The registered office is Wood Lane, St Bees School, St Bees, Cumbria, CA27 0DS. The company is a registered charity, number 1129534.

3 Donations

During the year the Trust received donations amounting to £776 (2023: £5,541). All of these donations, for both years, are attributable to unrestricted income funds.

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

4 Legacies

During the year the Trust received legacies amounting to £36,640 (2013: £nil). All of the legacy income is attributable to unrestricted income funds.

5 Trading income

	Consolidated		Trust	
	2024	2023	2024	2023
	£	£	£	£
Business Management Centre fees	157,937	149,667	-	-
	<u>157,937</u>	<u>149,667</u>	<u>-</u>	<u>-</u>

All of the above income is attributable to unrestricted income funds.

The Trust's wholly-owned subsidiary, St Bees Enterprises Limited, initially took over the trading aspects of the charity's activities, including the running of the Business Management Centre and Golf Course, from 1 September 1997. After the closure of the School on 3 July 2015 the subsidiary took over the running of additional activities, including sports facility lettings and Holidayfests. From 1 September 2017 all activities, save for the running of the Business Management Centre, were taken over by St Bees School Management Company Limited, the Trust's joint venture company.

The trading results of St Bees Enterprises Limited, extracted from its accounts, are shown in note 13.

6 Charitable activity income

	Consolidated and Trust	
	2024	2023
	£	£
General funds		
VAT reclaimed	503	321
Sundry income	11	4
	<u>514</u>	<u>325</u>
Endowment funds		
Royalties received	11,765	17,351
	<u>12,279</u>	<u>17,676</u>

7 Other income

	Consolidated and Trust	
	2024	2023
	£	£
Profit on disposal of fixed assets - Charity	38,493	9,560
	<u>38,493</u>	<u>9,560</u>

All of the other income in year ended 31 July 2024 and year ended 31 July 2023 was attributable to unrestricted income funds.

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

8 Interest payable	2024	2023
	£	£
Loan interest payable to Full Circle Education Limited	5,971	11,167
Other interest	-	-
Total for Charity	5,971	11,167
Bank loan interest payable by subsidiary	327	459
Total for Group	6,298	11,626

All of the interest payable in year ended 31 July 2024 and year ended 31 July 2023 was attributable to unrestricted funds.

9 Expenditure	Consolidated		Trust	
	2024	2023	2024	2023
	£	£	£	£
Charitable Activity expenditure includes:				
Staff costs (note 11)	71,986	79,958	21,834	37,341
Depreciation of tangible fixed assets (note 12)				
owned assets	5,698	4,858	349	349
Independent Examiner's fee	1,085	1,020	1,085	1,020

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

10	Analysis of total resources expended	Staff costs	Other	Depreciation and impairment	Total 2024	Total 2023
		£	£	£	£	£
	Expenditure on Raising funds:					
	Interest	-	5,971	-	5,971	11,167
	Total for charity	-	5,971	-	5,971	11,167
	Trading costs of the subsidiary	50,152	53,021	5,349	108,522	104,987
	Interest costs of the subsidiary	-	327	-	327	459
	Total for group	50,152	59,319	5,349	114,820	116,613
	Expenditure on Charitable activities:					
	Continuing activities:					
	Grants payable	-	18,100	-	18,100	3,520
	Establishment costs	21,834	69,626	-	91,460	100,753
	Administration	-	21,234	349	21,583	15,803
	Total for charity and group	21,834	108,960	349	131,143	120,076
	Total expenditure - Group	71,986	168,279	5,698	245,963	236,689
	Total expenditure - Charity	21,834	114,931	349	137,114	131,243

During the year ended 31 July 2024 the total group expenditure of £232,963 was entirely attributable to unrestricted funds. During the year ended 31 July 2023 the total group expenditure of £236,689 was entirely attributable to unrestricted funds.

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

11 Staff costs	2024	2023
	£	£
Wages and salaries	68,349	74,324
Social security costs	1,556	2,848
Pension costs	2,081	2,786
	<u>71,986</u>	<u>79,958</u>
The average number of employees in the year was:	Number	Number
Domestic, maintenance and other staff	4	4
Administration	3	3
	<u>7</u>	<u>7</u>

The trustees are not remunerated, and no expenses were paid during the year (2023: £nil).

There were no higher paid employees during the year (2023: None).

Defined contribution pension schemes

Pension contributions are made in respect of the defined contribution pension schemes of certain employees. The pension cost charge represents contributions payable by the group to the funds and amounted to £2,081 (2023: £2,786). Contributions amounting to £nil (2023: £nil) are included in creditors at the year end.

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

12 Tangible fixed assets

Consolidated	Fixtures Fittings and Equipment £	Freehold Land and Buildings £	Total £
Cost or valuation			
1st August 2023	108,293	4,427,500	4,535,793
Additions	8,445	-	8,445
Disposals	-	-	-
Revaluations	-	-	-
31st July 2024	116,738	4,427,500	4,544,238
Depreciation			
1st August 2023	88,957	-	88,957
Charge for year	5,698	-	5,698
Disposals	-	-	-
Revaluations	-	-	-
31st July 2024	94,655	-	94,655
Impairment			
1st August 2023	-	-	-
Charge for year	-	-	-
Disposals	-	-	-
31st July 2024	-	-	-
Net book values			
31st July 2024	22,083	4,427,500	4,449,583
<i>31st July 2023</i>	<i>19,336</i>	<i>4,427,500</i>	<i>4,446,836</i>

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

12 Tangible fixed assets (continued)

Trust	Fixtures Fittings and Equipment £	Freehold Land and Buildings £	Total £
Cost or valuation			
1st August 2023	35,609	4,427,500	4,463,109
Additions	-	-	-
Disposals	-	-	-
Revaluations	-	-	-
31st July 2024	35,609	4,427,500	4,463,109
Depreciation			
1st August 2023	34,463	-	34,463
Charge for year	349	-	349
Disposals	-	-	-
Revaluations	-	-	-
31st July 2024	34,812	-	34,812
Impairment			
1st August 2023	-	-	-
Charge for year	-	-	-
Disposals	-	-	-
31st July 2024	-	-	-
Net book values			
31st July 2024	797	4,427,500	4,428,297
<i>31st July 2023</i>	<i>1,146</i>	<i>4,427,500</i>	<i>4,428,646</i>

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

12 Tangible fixed assets (continued)

The Trust's freehold land and buildings were valued at £4,427,500 on 31 July 2024 by the directors. The basis of valuation used was market value. The directors considered that this figure was an accurate valuation of the properties as at 31 July 2024. As a result there was no surplus or deficit on revaluation for the year ended 31 July 2024 (2023: No surplus or deficit).

It should be noted that the valuation above is based on the Trust's properties being marketed in an orderly way, which the directors believe presents a true and fair view. Should the properties be sold to one individual as a single lot the valuation would be lower.

An impairment review was carried out on fixed assets at the year end and it was concluded that there was no impairment.

Tangible fixed assets included at a valuation would have been included on a historical cost basis at:

	Consolidated and School	
	2024	2023
	£	£
Cost	2,083,875	2,122,368
Depreciation	(546,384)	(515,006)
Net book value	1,537,491	1,607,362

The figures stated above for cost or valuation include valuations as follows:

	Consolidated		School	
	2024	2023	2024	2023
	£	£	£	£
At cost	-	-	-	-
At valuation	4,427,500	4,427,500	4,427,500	4,427,500
	4,427,500	4,427,500	4,427,500	4,427,500

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

13 Fixed asset investments	2024 £	2023 £
Consolidated market value as above		-
Share of net assets in joint ventures - valued on equity method		
Investment in St Bees School Management Company Ltd - 25% of net assets.	-	-
Group undertakings - valued at fair value		
Investment in St Bees Enterprises Ltd - Ordinary £1 shares	2	2
Total for Trust	2	2
<u>Less: Eliminated on consolidation</u>	<u>(2)</u>	<u>(2)</u>
Total for Group	-	-

Investment in St Bees School Management Company Limited:

In June 2017 a joint venture company, St Bees School Management Company Limited (company number 10812320), was established. This company has taken on the responsibility for re-opening the School and all its operational activity and its support activities. The joint venture is a limited company registered in England and Wales which is wholly owned by Full Circle Education Group and St Bees School Trust.

Until 31 May 2019 the Trust was responsible for 25% of the investment in the joint venture company, with Full Circle being responsible for 75%. Thereafter Full Circle assumed full responsibility for the operation of St Bees School Management Company Limited.

Following reconciliation of the total amount invested in St Bees School Management Company Limited, an adjustment of £42,500 was made during year ended 31 July 2024 to the realised gain/loss on the joint venture company investment (2023: £nil).

Investment in St Bees Enterprises Ltd:

The Trust owns 100% of the ordinary shares in St Bees Enterprises Limited, which initially took over the trading aspects of the charity's activities, including the running of the Business Management Centre and the Golf Course, from 1st September, 1997. After the closure of the School on 3 July 2015, the subsidiary took over the running of additional activities, including sports facility lettings and Holidayfests. From 1 September 2017 all activities, save for the running of the Business Management Centre, were taken over by St Bees School Management Company Limited, the Trust's joint venture company. St Bees Enterprises Ltd, which was incorporated on 20th August 1997, covenants its taxable profits to the Trust. The company registration number is 0342277.

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

13 Fixed asset investments (continued)

Investment in St Bees Enterprises Ltd (continued):

The trading results of St Bees Enterprises Limited, extracted from its accounts were:-

	2024	2023
	£	£
Turnover	157,937	149,667
Cost of sales	(31,923)	(26,243)
Gross profit	126,014	123,424
Administration	(76,599)	(78,745)
Other operating income	-	-
Operating (loss)/profit for the year:	49,415	44,679
Interest received	-	-
Interest payable	(327)	(459)
Net (loss)/profit before taxation	49,088	44,220
Taxation	-	-
Net (loss)/profit after taxation	49,088	44,220
Covenant - gross	(45,993)	(46,063)
Retained (loss)/profit	3,095	(1,843)

The assets and liabilities of St Bees Enterprises Ltd were:

	2024	2023
	£	£
Tangible fixed assets	21,286	18,190
Current assets	76,045	80,343
	97,331	98,533
Creditors: amounts falling due within one year	(63,496)	(62,302)
Creditors: amounts falling due after one year	(4,683)	(10,176)
	29,152	26,055
Represented by:		
Share capital	2	2
Profit and loss account	29,150	26,053
	29,152	26,055

There were no amounts invoiced by the Trust or the subsidiary company to the other party for goods and services provided in either the current or prior year.

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

14 Stocks

	Consolidated and Trust	
	2024 £	2023 £
Heating oil	200	200
	<u>200</u>	<u>200</u>

15 Debtors

	Consolidated		Trust	
	2024 £	2023 £	2024 £	2023 £
Trade debtors	26,126	35,354	11,014	10,299
Loan to joint venture company	39,192	38,692	39,192	38,692
Covenanted profits due from trading company	-	-	45,993	46,063
Other debtors	7,468	3,353	906	789
Prepayments and accrued income	8,909	10,606	8,909	10,606
	<u>81,695</u>	<u>88,005</u>	<u>106,014</u>	<u>106,449</u>

The purpose of the loan to the joint venture company is to provide school equipment and stock. There are no formal repayment terms, and the loan is unsecured and interest-free. The Trust withdrew as a joint venturer on 31 May 2019 however the loan remains in place.

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

16 Creditors	Consolidated		Trust	
	2024	2023	2024	2023
Amounts falling due within one year	£	£	£	£
Bank loan	5,493	5,357	-	-
Trade creditors	8,125	9,624	4,249	6,611
Other taxation and social security	5,515	6,241	-	-
Other creditors	-	-	-	-
Accruals and deferred income	18,968	19,799	16,349	18,171
Loan - St Bees Enterprises Ltd	-	-	5,929	26,592
Loans - Full Circle Education Group (unsecured) - see below	72,399	143,733	72,399	143,733
Loans - OSB Nominee Limited (unsecured) - see below	1,792,274	1,779,274	1,792,274	1,779,274
	<u>1,902,774</u>	<u>1,964,028</u>	<u>1,891,200</u>	<u>1,974,381</u>

Loans - Full Circle Education Group

Full Circle Education Group is the Trust's co-venturer in St Bees School Management Company Limited, the joint venture company responsible for re-establishing the School. The loans from Full Circle were to assist with the Trust's financial commitments to invest in the joint venture. The loans are unsecured and interest is charged at a commercial rate as detailed in note 8 to the accounts.

Loans - OSB Nominee Limited

OSB Nominee Limited and The Old St Beghian Guarantee Trust Fund (OSBGTF) are part of the alumni organisation for the School. Funds have also been loaned to St Bees School, unsecured and interest free. There is no formal loan agreement in place. The Trust has received a letter of comfort from the OSBGTF stating that it is not, currently, their intention to demand repayment of all or any part of the loan. The debt was assigned and transferred from OSBGTF to OSB Nominee Limited on 1 July 2023.

Bank loan

The bank loan consists of a Bounce Back loan taken out by St Bees Enterprises Limited in May 2020.

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

17 Creditors	Consolidated		School	
Amounts falling due after more than one year	2024 £	2023 £	2024 £	2023 £
Bank loan	<u>4,683</u>	<u>10,176</u>	<u>-</u>	<u>-</u>
	<u>4,683</u>	<u>10,176</u>	<u>-</u>	<u>-</u>
Bank loan		2024 £		2023 £
This is repayable as follows:				
In the next year - see note 16		5,493		5,357
In the second to fifth years		<u>4,683</u>		<u>10,176</u>
		<u>10,176</u>		<u>15,533</u>

Bank loan

The bank loan consists of a Bounce Back loan taken out by St Bees Enterprises Limited in May 2020.

18 Commitments

(a) At 31 July 2024 the Group and Trust had no operating lease commitments (2023: £nil).

(b) At 31 July 2024 the Group and Trust had no capital commitments (2023: £nil).

(c) At 31 July 2024 the Group and Trust had financial commitments of £nil (2023: £nil).

19 Going concern

St Bees School ceased to be operated by the charity on its closure at the end of the Summer Term 2015. Full details regarding the effect on going concern are given in note 1.1 to the accounts.

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

20 Taxation

The Trust is a registered charity and is exempt from corporation tax under the provision of Section 478 of the Corporation Tax Act 2010.

St Bees Enterprises Limited is a trading subsidiary of the Trust and is liable to corporation tax on its taxable profits at the applicable rate.

21 Related party transactions

At 31 July 2024 the charity owed loans of £1,192,214 (2023: £1,119,214) to OSB Nominee Limited. This debt was assigned and transferred on 1 July 2023 from the Old St Beghian Guarantee Trust Fund, which is closely connected to the St Beghian Society, the alumni organisation for the School. Mr R Calvin, the spouse of Mrs S Calvin, a director of St Bees School during the year, is a trustee of the Old St Beghian Guarantee Trust Fund. Further details regarding the loans are included in note 16 to the accounts.

At 31 July 2024 the charity owed loans of £72,399 (2023: £143,733) to Full Circle Education Group, the Trust's co-venturer in St Bees School Management Company Limited. Additionally, accrued interest of £5,971 (2023: £11,167) was outstanding on these loans at the balance sheet date. Further details regarding the loans are included in note 16 to the accounts.

During the year St Bees School Management Company Limited, the Trust's joint venture company, invoiced the Trust for goods and services provided amounting to £40,434 (2023: £37,865). These items are included within administration expenses.

Under a deed of covenant dated 25 August 1998 the subsidiary company, St Bees Enterprises Limited, has covenanted to pay the parent charity, St Bees School, an annual sum not exceeding its taxable profits for the accounting year. For the year ended 31 July 2024 this amounted to £45,993 (2023: £46,063).

During the year St Bees Enterprises Limited invoiced St Bees School Management Company Limited for goods and services provided amounting to £nil (2023: £42). These items are included within income.

During the year St Bees School Management Company Limited invoiced St Bees Enterprises Limited for goods and services provided amounting to £nil (2023: £210). These items are included within administration expenses.

ST BEES SCHOOL**NOTES ON FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 JULY 2024****22 Allocation of the group net assets**

Fund balances at 31 July 2024 as represented by:

	Fixed Assets £	Current Assets £	Current Liabilities £	Provisions/ Long term Liabilities £	Total £
Endowment funds	1,464,247	744	-	-	1,464,991
Restricted funds	-	-	-	-	-
Unrestricted funds	2,985,336	174,953	(1,902,774)	(4,683)	1,252,832
Total for group	4,449,583	175,697	(1,902,774)	(4,683)	2,717,823

Allocation of the group net assets - previous year

Fund balances at 31 July 2023 as represented by:

	Fixed Assets £	Current Assets £	Current Liabilities £	Provisions/ Long term Liabilities £	Total £
Endowment funds	1,451,985	1,241	-	-	1,453,226
Restricted funds	-	-	-	-	-
Unrestricted funds	2,994,851	169,606	(1,964,028)	(10,176)	1,190,253
Total for group	4,446,836	170,847	(1,964,028)	(10,176)	2,643,479

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

23 Analysis of movements in endowment funds

	Balance 1 August 2023 £	Incoming Resources £	Resources Expended £	Transfers and Gains/ (Losses) £	Balance 31 July 2024 £
<i>Permanent Funds:</i>					
Capital	1,000	-	-	-	1,000
Royalties	758,226	11,765	-	-	769,991
Capital replacement fund	694,000	-	-	-	694,000
Group and Trust	1,453,226	11,765	-	-	1,464,991

Analysis of movements in endowment funds - previous year

	Balance 1 August 2022 £	Incoming Resources £	Resources Expended £	Transfers and Gains/ (Losses) £	Balance 31 July 2023 £
<i>Permanent Funds:</i>					
Capital	1,000	-	-	-	1,000
Royalties	740,875	17,351	-	-	758,226
Capital replacement fund	694,000	-	-	-	694,000
Group and Trust	1,435,875	17,351	-	-	1,453,226

The capital fund represents a nominal amount relating to the original endowment of the School land and buildings.

The royalties fund has been created to provide for the loss of the permanent endowment on Birkham's Quarry, a sandstone quarry which was part of the original asset base of the Trust. As the sandstone is quarried, the asset is eroded and the royalties received replace the diminution in value of the asset. The income from royalties arises from land held on permanent endowment and is subsequently utilised on improvements to the Trust's land and buildings. The credit balance on the royalties fund is thus not represented by cash but by tangible fixed assets.

The direction by an order of the Charity Commission dated 10 July 2015 approved the expenditure of a total of £694,000 of endowment funds to expedite the winding down of the School's affairs following closure on 3 July 2015, under the power given in section 105 of the Charities Act 2011.

This expenditure is subject to the creation of a Capital replacement fund by appropriating expendable property to the value of £694,000 as permanent endowment in the records of the charity.

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

24 Analysis of movements in unrestricted funds

	Balance 1 August 2023 £	Incoming Resources £	Resources Expended £	Transfers and Gains/ (Losses) £	Balance 31 July 2024 £
Designated:					
Extraordinary repair fund	31,000	-	-	1,000	32,000
Property revaluation reserve	2,338,908	-	-	-	2,338,908
Capital fund	635,366	-	-	(11,765)	623,601
Trust general fund	(1,841,079)	108,105	(137,114)	99,258	(1,770,830)
Sub-total - Trust	1,164,195	108,105	(137,114)	88,493	1,223,679
Reserves - St Bees Enterprises Limited	26,058	157,937	(108,849)	(45,993)	29,153
Consolidated funds	1,190,253	266,042	(245,963)	42,500	1,252,832

Analysis of movements in unrestricted funds - previous year

	Balance 1 August 2022 £	Incoming Resources £	Resources Expended £	Transfers and Gains/ (Losses) £	Balance 31 July 2023 £
Designated:					
Extraordinary repair fund	30,000	-	-	1,000	31,000
Property revaluation reserve	2,601,324	-	-	(262,416)	2,338,908
Capital fund	883,563	-	-	(248,197)	635,366
Trust general fund	(2,312,679)	46,963	(131,243)	555,880	(1,841,079)
Sub-total - Trust	1,202,208	46,963	(131,243)	46,267	1,164,195
Reserves - St Bees Enterprises Limited	28,104	149,667	(105,446)	(46,267)	26,058
Consolidated funds	1,230,312	196,630	(236,689)	-	1,190,253

The Charity Commission have directed that a yearly sum of not less than £1,000 shall be invested for the purpose of providing for the extraordinary repair, improvement or rebuilding of property belonging to the Trust.

The property revaluation reserve represents the surplus on revaluation of the charity's properties. Disposal of property during the year resulted in a transfer of £nil (2023: £262,416) from the revaluation reserve to unrestricted general funds. The charity's properties were revalued during the year ended 31 July 2024 with no surplus or deficit arising (2023: No surplus or deficit arising).

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

24 Analysis of movements in unrestricted funds (continued)

The capital fund represents amounts invested in land and buildings, which were previously funded by loans from The Friends of St Bees School General Charitable Trust. The Friends converted all loans into a donation on 31 July 2017, £883,563 of which pertained to capital fund investment. Depreciation on the charity's property is charged to this fund. The capital fund is represented entirely by land and buildings.

Disposal of property during the year resulted in a transfer of £nil (2023: £152,437) from the capital fund to unrestricted general funds, with a further transfer of £11,765 (2023: £95,761) being made from the capital fund to unrestricted general funds to ensure that the balances on the property revaluation reserve, unrestricted capital fund, and endowment funds equate to the current balance sheet total for land and buildings.

The Trust's general fund is retained to provide working capital and may be used for the charity's general purposes. The Trust's general fund showed a deficit of £1,757,830 at 31 July 2024. (2023: Deficit of £1,841,079).

The Trustees are taking steps to reduce the deficit on general funds in line with best practice.

25 Gross cash flows

	Group 2024 £	Group 2023 £
Reconciliation of net movement in funds		
to net cash inflow/(outflow) from operating activities		
Net movement in funds	74,344	(22,708)
Endowment donations	(11,765)	(17,351)
Depreciation	5,698	4,858
(Profit)/loss on sale of fixed assets	(38,493)	(9,560)
(Gains)/losses on investments	(42,500)	-
(Increase)/decrease in debtors	6,310	(5,537)
Increase/(decrease) in creditors	(3,055)	(52,746)
Net cash provided by/(used in) group operating activities	(9,461)	(103,044)

Accounts

ST BEES SCHOOL
(A company limited by guarantee)



DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

Registered charity number: 1129534

Registered company number: 06595861

robinson+co

CHARTERED ACCOUNTANTS

ST BEES SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

CONTENTS

	Page
Company Information	1 - 2
Directors' Report	3 - 10
Independent Examiner's Report	11
Consolidated Statement of Financial Activities	12
Group and Company Balance Sheets	13
Consolidated Cash Flow Statement	14
Notes	15 - 35

ST BEES SCHOOL

COMPANY INFORMATION

FOR THE YEAR ENDED 31 JULY 2023

Charity number: 1129534

Company number: 06595861

Directors:

The directors of the company are also Governors of the School and trustees for the purposes of Charity law.

Mrs S J Calvin

Mr M D George (Chairman)

Mr T Kelly

Mr R F Lacey

Mr P G Lever

Mr A D Lord

Mr M N Roberts

Dr A M Simper

Officers:

Company Secretary:

Mr T Kelly

The Clerk to the Governors:

Mr T Kelly

The organisational management is carried out by the trustees themselves, whilst the day to day operations are undertaken by a small team of staff being supported by nominated local trustees.

ST BEES SCHOOL**COMPANY INFORMATION**

(continued)

FOR THE YEAR ENDED 31 JULY 2023

**Principal Address and
Registered Office:**

Wood Lane
St Bees School
ST BEES
CA27 0DS

Advisers**Bankers:**

NatWest Bank plc
Chatham Customer Service Centre
Western Avenue
Waterside Court
Chatham Maritime
Chatham
Kent
ME4 4RT

Solicitors:

Nabarro LLP
1 The Avenue
Spinningfields
Manchester
M3 3AP

Accountants:

robinson+co
Chartered Accountants
Oxford Chambers
New Oxford Street
Workington
CA14 2LR

Insurance Brokers:

Marsh Limited
Capital House
1-5 Perrymount Road
Haywards Heath
West Sussex
RH16 3SY

ST BEES SCHOOL

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2023

The Directors of St Bees School Trust present their annual report and financial statements for the year ended 31 July 2023, and confirm that they comply with the requirements of the Companies Act 2006 and the Charities Act 2011.

DEVELOPMENT OF THE SCHOOL

The Full Circle Group completed their fifth academic year as managers of the school. The Trust remains confident that the school is developing satisfactorily under their management and remain committed to supporting them to improve both the school facilities and the educational standards.

The St Bees School Trust remained focused on managing the School estate and commercial business activities to provide ongoing financial support to the development of the school and improvement of school facilities.

REFERENCE AND ADMINISTRATIVE INFORMATION

St Bees School was founded in 1583. The charitable company was formed on 19 May 2008 and is registered with the Charity Commission as charity number 1129534. The words 'Charity', 'Company', 'Charitable Company', 'Charitable Trust', 'Trust' and 'School' are used interchangeably to refer to St Bees School. The Trustees are listed on page 1. The registered office address of the Charity and the particulars of the Charity's advisers are given on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Whilst the School was founded in 1583, the charitable company is governed by its Memorandum and Articles of Association as adopted on 19 May 2008 and altered by Special Resolutions dated 1 August 2009 and 15 January 2016.

Governing Body

The directors of the Company are also trustees for the purposes of Charity law.

Composition of Governing Body post 15 January 2016

The number of Governors shall be not less than 6 and not more than 12 competent persons, being any of 4 Governors appointed by the Old St Beghians' Club as set out in article 8.2, 4 being appointed from the local community as set out in article 8.3 and not more than 4 co-opted Governors appointed by the Board of Governors.

Recruitment and Training of Trustees

Attention is paid to ensure that the Board of Trustees maintains a balance of skills and diversity in order to function effectively.

Organisational Management

The organisational management of the Trust is carried out by the Trustees themselves, whilst day to day commercial activities are undertaken by a small administrative team based at the Trust's Business Management Centre.

The Trustees comprise the key management personnel of the organisation. All trustees give of their time freely and no trustee remuneration was paid in the year.

Group Structure and Relationships

In May 2019 Full Circle Education Group assumed full responsibility for the operation of the St Bees School Management Company Limited. The Management Company being responsible for the majority of the onsite facilities. Full Circle operate the School under an Agreement with the Charitable Trust. The Agreement is retractable by the charity if the agreed educational and operational objectives are not achieved. Annual review procedures are in place to enable the Charity to monitor the performance of Full Circle in the role of school operator.

The Charity has a wholly owned subsidiary, St Bees School Enterprises Limited (company number 03422777) which was incorporated in August 1997. This is the commercial arm of the School and manages the Whitelaw Management Centre.

The Directors of the St Bees Enterprises Limited have continued to operate the Business Management Centre profitably during 2022/23, with revenues recovering gradually from the effects of the COVID-19 pandemic.

St Bees School acts as trustee of two linked charities, St Bees School Trust and Bursary Fund. Although part of the School's permanent endowments are held by the company in trust for the charities, following the Charity Commission's order dated 10 July 2015 these endowments have been spent and replaced by appropriating expendable property as permanent endowment in their place.

The Old St Beghian Guarantee Trust Fund is closely linked with the St Beghian Society, the alumni organisation for the School, and provides financial support to the Charitable Trust. The financial assistance provided via the Old St Beghian Guarantee Trust Fund includes amounts loaned to the School in the sum of £179,274 as at 31 July 2023 (2022: £179,274). The management of the society is vested in a Committee of Alumni.

Risk management

The Directors examine the major risks that the Charity faces on an ongoing basis to control and mitigate potential impacts.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Objects

The objects of the charity are to advance the education of boys and girls by the provision of a day and/or boarding school in or near St Bees or elsewhere in Cumbria and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

Strategies to Achieve the Objectives

Mission statement

The School was founded in 1583 by the then Archbishop of Canterbury, Edmund Grindal. The trustees' goal is to return an educational institution onto the St Bees campus in alignment with Edmund Grindal's principles. Our Mission is:

To re-establish St Bees School as a vibrant and sustainable centre for the outstanding education and all-round development of young people in accordance with Archbishop Grindal's legacy'.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Strategies to Achieve the Objectives (continued)

Objectives

- To have effective and transparent trusteeship;
- To maintain the existing assets and infrastructure in good order;
- To identify the most appropriate operating model for St Bees School; and
- To secure the necessary investment and support to develop the existing assets and infrastructure to support the identified model.

Progress

Pupil numbers have yet to reach the target of 150 however significant increased interest has been received from foreign students over the past year.

Development of the school remains challenging but dedicated staff and the commitment of Full Circle has ensured that 2022-23 was a progressive academic year.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities, and how these planned activities will contribute to the aims and objectives they have set. In particular, the trustees have given careful consideration to the supplementary public benefit guidance on advancing education and on fee-charging.

STRATEGIC REPORT

The Strategic Report, as required by the Companies Act 2006, is included within this Directors' Report and comprises the sections on Policies through to Future Plans.

Policies

As part of the School reopening the following policies will be developed:-

- Access policy
- Bursary Policy
- Scholarship policy
- Project support policy

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

The Business Management Centre bookings continued to bounce back post Covid, providing a significant increase to Trust revenues.

The sale of the redundant Grindal Boarding house enabled the Trust to cut overheads and significantly reduce its indebtedness to the Full Circle Group. Further asset sales are being considered by the Trust to eradicate debt and develop the school facilities.

The Trust are actively engaged with professional advisers in negotiations with West Cumberland Mining. Should the Whitehaven project proceed the School Trust could derive significant financial benefit.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

As explained in note 1.1 to the accounts, the Directors believe that, whilst there are material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue to adopt the going concern basis of accounting in the future, the going concern presumption is nevertheless valid and they have not departed from this basis.

Although the School has been re-opened from September 2018, the material uncertainties relate to the viability, both financial and non-financial, of the re-establishing of the School on the St Bees campus.

The basis of preparation continues to include, where appropriate, the writing down of the company's assets to net realisable value. Provision has also been made for any onerous contractual commitments at the balance sheet date. The financial statements do not include any provision for the future costs of terminating any part of the business of the company except to the extent that such were committed at the balance sheet date.

The net consolidated income for the year amounted to £213,981 (2022: £183,660). Income increased by 16.5% from last year. Total consolidated expenditure increased by 7.3% from last year.

The Trust reported an operating deficit, excluding covenant from the subsidiary, on the General Fund of £84,284 for the year ended 31 July 2023, against an operating deficit of £76,472 for the year ended 31 July 2022. Profits of £46,063 (2022: £16,296) were transferred from the subsidiary company, St Bees Enterprises Limited, via deed of covenant.

During the year the Trust recognised donations amounting to £5,541 (2022: £6,311).

The Trust's freehold land and buildings were revalued at £4,427,500 on 31 July 2023 by the directors. The basis of valuation used was market value. The directors considered that this figure was an accurate valuation of the properties as at 31 July 2023. As a result there was no surplus or deficit on revaluation for the year ended 31 July 2023 (2022: deficit of £85,147).

Proceeds of £414,853 were received from the sale of Grindal House during the year (2022: £129,695 received from the sale of land on Whitehaven Road).

The directors continue to consider a lease liability due to Old St Beghians Guarantee Trust Fund of £1,600,000 as being appropriate, consisting of £408,250 in respect of both rent arrears and the unexpired term of the lease, £1,100,000 in respect of dilapidations and capital re-instatement, and £91,750 in respect of consequential costs.

The trading subsidiary ran the Business Management Centre throughout the year, with revenues continuing to recover from the effects of the COVID-19 pandemic.

The profit for St Bees Enterprises Limited for the year ended 31 July 2023 was £44,220 (2022: profit of £20,177), prior to calculation of taxable profits to be covenanted to the Trust of £46,063 (2022: £16,296).

The net movement in funds, as shown by the consolidated statement of financial activities, for the year ended 31 July 2023 was a deficit of £22,708 (2022: Deficit of £122,140 after allowing for a loss on revaluation of fixed assets of £85,147).

Reserves

Note 21 to the accounts shows the assets and liabilities attributable to the various funds by type. Notes 22 and 23 describe the various funds of the Charity and summarise the year's movements on each fund. Group unrestricted funds amounted to £1,190,253 (2022: £1,230,312) however there were no free reserves available in either year.

The School's general fund showed a deficit of £1,841,079 after transfers of £262,416 from the revaluation reserve and £152,437 from the capital fund following the sale of Grindal House (2022: Deficit of £2,312,679 after a transfer of £130,000 from the revaluation reserve following the sale of land on Whitehaven Road).

The Trust's unrestricted reserves are primarily invested in tangible fixed assets which are used for its direct charitable activities. Current policy following the closure of the School in 2015 is to preserve funds as far as possible whilst alternative future possibilities are explored. This includes the maintenance of the existing assets and infrastructure and generation of income needed to sustain the necessary transitional activities.

The Trustees are taking steps to reduce the deficit on general funds in line with best practice.

Investment Policy and Objectives

Investment powers are governed by the Memorandum and Articles of Association. Investment decisions are made by the trustees with the assistance of professional investment advisers. The investment portfolio is no longer active and therefore the investment advisers have ceased in making monthly reports to the trustees and holding meetings to discuss the investment policy and portfolio performance. Consequently no investment performance is reported in the year.

Previously, investments were held to create income and capital growth pending utilisation, whilst preserving the value of endowment funds.

PRINCIPAL RISKS AND UNCERTAINTIES

As stated on page 4, the trustees examine the major risks that the charity faces each financial year. These are summarised as follows:

Financial risks and uncertainties

These risks and uncertainties include potential increases in costs, major fire/disaster, cash flow and loss of charitable status.

Personnel risks and uncertainties

These include loss and recruitment of key personnel and compliance with employment legislation.

Administrative risks and uncertainties

This risk has been identified as security of data held on IT systems.

Safety risks and uncertainties

Risks and uncertainties arise from safeguarding of staff and the public and compliance with health and safety and fire regulations.

Governance risks and uncertainties

These include insuring potential liability claims and the impact of inadequate insurance, and discharging statutory responsibilities.

Other risks and uncertainties

The principal other risk is from a loss of reputation. Further risks include unauthorised site access and dilapidation to buildings and facilities.

The Charity has developed systems to monitor and control the above risks, where possible, to mitigate any impact that they may have on it in the future.

FUTURE PLANS

The Trustees aim to increase financial support to the School. This will be achieved through the sales of further Trust assets superfluous to the requirements of the current school at the same time generating increased revenues from commercial activity and reducing costs associated with running the Trust.

DIRECTORS

The Directors who served during the year are set out on page 1.

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

ACCOUNTING AND REPORTING RESPONSIBILITIES

The Charities Act 2011 and the Companies Act 2006 require the directors of the charitable company and group to prepare financial statements for each financial year which give a true and fair view of its financial activities during the year and its financial position at the end of the year.

In preparing the financial statements the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards and the Charities SORP, disclosing and explaining any departures in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

The Directors are responsible for keeping proper accounting records which are such as to disclose, with reasonable accuracy, the financial position of the Company at any time, and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

In approving the Directors' Report the trustees are also approving the Strategic Report in their capacity as company directors.

Approved by the Board of Directors on 16 October 2023
and signed on its behalf by:

P G Lever
Director

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
ON THE UNAUDITED FINANCIAL STATEMENTS OF ST BEES SCHOOL
FOR THE YEAR ENDED 31 JULY 2023

I report on the accounts of St Bees School for the year ended 31 July 2023 set out on pages 12 to 35.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act), and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Charities Act, to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Charities Act, and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(i) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep proper accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
- have not been met; or

(ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Jason Spires BSc FCA DChA
robinson+co, Chartered Accountants
Oxford Chambers
New Oxford Street
Workington
CA14 2LR

Date: 16 October 2023

ST BEES SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2023

	Notes	Unrestricted Trust £	Funds Other £	Restricted Funds £	Endowed Funds £	Total 2023 £	<i>Total 2022 £</i>
INCOME							
Donations and legacies							
Donations	3	5,541	-	-	-	5,541	6,311
Other trading activities							
Trading income	4	-	149,667	-	-	149,667	110,318
Rent receivable		31,537	-	-	-	31,537	47,427
Income from Charitable Activities							
Charitable activity income	5	325	-	-	17,351	17,676	19,604
Other Income							
Profit on disposal of fixed assets	6	9,560	-	-	-	9,560	-
Total income and endowments		46,963	149,667	-	17,351	213,981	183,660
EXPENDITURE							
Expenditure on Raising funds							
Trading expenditure		-	104,987	-	-	104,987	89,556
Interest	7	11,167	459	-	-	11,626	17,691
		11,167	105,446	-	-	116,613	107,247
Expenditure on Charitable activities							
Schools and grantmaking:							
Continuing activities	9	120,076	-	-	-	120,076	113,406
		120,076	-	-	-	120,076	113,406
Total expenditure	7-9	131,243	105,446	-	-	236,689	220,653
Net income/(expenditure) before transfers							
		(84,280)	44,221	-	17,351	(22,708)	(36,993)
Transfers between funds	22-23	46,267	(46,267)	-	-	-	-
		(38,013)	(2,046)				
NET INCOME/(EXPENDITURE)		(40,059)		-	17,351	(22,708)	(36,993)
Gains/(losses) on revaluation of fixed assets	11	-		-	-	-	(85,147)
NET MOVEMENT IN FUNDS		(40,059)		-	17,351	(22,708)	(122,140)
Balances brought forward at 1 August 2022		1,230,312		-	1,435,875	2,666,187	2,788,327
FUND BALANCES at 31 July 2023		1,190,253		-	1,453,226	2,643,479	2,666,187

All amounts derive from continuing activities, unless otherwise stated.

All gains and losses recognised in the the year are included in the Statement of Financial Activities.

The notes on pages 15 to 35 form part of these accounts

ST BEES SCHOOL

BALANCE SHEET

AS AT 31 JULY 2023

		Consolidated		Trust	
	Notes	2023	2022	2023	2022
		£	£	£	£
FIXED ASSETS					
School buildings and equipment	11	4,446,836	4,864,325	4,428,646	4,843,848
Investments	12	-	-	2	2
		4,446,836	4,864,325	4,428,648	4,843,850
CURRENT ASSETS					
Stocks	13	200	200	200	200
Debtors	14	88,006	82,468	106,449	76,036
Cash at bank and in hand		82,641	34,661	56,506	21,384
		170,847	117,329	163,155	97,620
CREDITORS: due within one year	15	(1,964,028)	(2,299,934)	(1,974,381)	(2,303,183)
NET CURRENT ASSETS/(LIABILITIES)		(1,793,181)	(2,182,605)	(1,811,226)	(2,205,563)
TOTAL ASSETS LESS CURRENT LIABILITIES		2,653,655	2,681,720	2,617,422	2,638,287
CREDITORS: due after more than one year	16	(10,176)	(15,533)	-	-
TOTAL NET ASSETS		2,643,479	2,666,187	2,617,422	2,638,287
ENDOWED FUNDS	22	1,453,226	1,435,875	1,453,226	1,435,875
RESTRICTED FUNDS		-	-	-	-
UNRESTRICTED FUNDS					
Unrestricted income funds		(1,148,655)	(1,371,012)	(1,174,712)	(1,398,912)
Revaluation reserve		2,338,908	2,601,324	2,338,908	2,601,324
	23	1,190,253	1,230,312	1,164,196	1,202,412
TOTAL FUNDS		2,643,479	2,666,187	2,617,422	2,638,287

The financial statements on pages 12 - 35 were approved by the Directors on 16 October 2023 and signed on their behalf by:

P G Lever
Director

Registered number 06595861
England and Wales

The notes on pages 15 to 35 form part of these accounts.

ST BEES SCHOOL

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2023

	Notes	2023 £	2022 £
Cash provided by/(used in) operating activities	24	(103,044)	13,410
Cash flows from investing activities			
Proceeds from the sale of property, plant and equipment		424,413	129,695
Purchase of property, plant and equipment		(2,222)	(6,534)
Cash provided by/(used in) investing activities		422,191	123,161
Cash flows from financing activities			
Repayment of borrowing		(288,518)	(154,846)
Receipt of endowment		17,351	19,304
Cash (used in)/provided by financing activities		(271,167)	(135,542)
Increase in cash and cash equivalents in the year		47,980	1,029
Cash and cash equivalents at the beginning of the year		34,661	33,632
Cash and cash equivalents at the end of the year		82,641	34,661

The notes on pages 15 to 35 form part of these accounts.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are summarised below.

1.1 Basis of accounting

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The Directors believe that, whilst there are material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue to adopt the going concern basis of accounting in the future, the going concern presumption is nevertheless valid and they have not departed from this basis.

Although the School has been re-opened from September 2018, the material uncertainties relate to the viability, both financial and non-financial, of the re-establishing of the School on the St Bees campus.

The basis of preparation continues to include, where appropriate, the writing down of the company's assets to net realisable value. Provision has also been made for any onerous contractual commitments at the balance sheet date. The financial statements do not include any provision for the future costs of terminating any part of the business of the company except to the extent that such were committed at the balance sheet date.

The charity's presentational currency is UK sterling, rounded to the nearest £1.

The charity constitutes a public benefit entity as defined by FRS 102.

1.2 Group accounts

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary, St Bees Enterprises Limited, on a line by line basis. A separate statement of financial activities for the charitable company itself is not presented because it has taken advantage of the exemptions afforded by paragraph 408 of the Companies Act 2006.

1.3 Donations and fund accounting

Donations receivable for the general purposes of the Charity are credited to unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds where these wishes are legally binding on the trustees, except that donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments - permanent or expendable according to the nature of the restriction.

1 Accounting policies (continued)

1.4 Income

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

Amounts receivable for services and use of premises are accounted for in the period in which the service is provided.

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Income from investments is included in the year in which it is receivable.

1.5 Expenditure

Expenditure is accounted for on an accruals basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the period, either by reference to staff time or space occupied, as appropriate. Expenditure is stated inclusive of irrecoverable or non-attributable VAT, with any partially recoverable element being credited to the Statement of Financial Activities separately.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Expenditure on charitable activities comprises those costs incurred in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the trustees, and all the costs of complying with constitutional and statutory requirements, such as the cost of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability. These costs are included in support costs within expenditure on charitable activities.

1.6 Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

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

1 Accounting policies (continued)

1.7 Pension schemes

Contributions are made in respect of defined contribution pension schemes of certain employees.

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

1.8 Tangible fixed assets and depreciation

The School's freehold land and buildings are included in the accounts at valuation.

Freehold land is not depreciated. Freehold buildings are depreciated at 2% on a reducing balance basis. As the School's properties were revalued as at 31 July 2023, no depreciation has been provided for on these during the year.

Short leasehold buildings improvements are depreciated on a straight line basis over the remaining period of the lease.

Assets costing less than £2,000 are not capitalised.

Other fixed assets are included at cost and depreciation is calculated to write off their cost or valuation less any residual value on a straight line basis over their estimated useful lives as follows:

Computer Equipment	- over 3 years
Other Equipment	- over 10 years

An impairment review was carried out on fixed assets and where it was considered that their carrying amount exceeded the higher of their recoverable amount or value in use the assets were written down as necessary.

1.9 Investments

Fixed asset investments are included in the accounts at the mid-market value of each investment as at the balance sheet date. A note is also shown of the cost of each investment at that date. Gains and losses on disposal or revaluation of investments are charged or credited to the SOFA.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost. The carrying amount is then adjusted for the post-acquisition change in the Trust's share of net assets in the joint venture entity. The carrying amount of the investment in the joint venture is subsequently adjusted through the SOFA to reflect the Trust's share of the its results.

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.11 Financial instruments

The company only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at amortised cost.

1 Accounting policies (continued)

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

2 Statutory information

St Bees School is a private company, limited by guarantee, domiciled in England and Wales, registration number 06595861. The registered office is Wood Lane, St Bees School, St Bees, Cumbria, CA27 0DS. The company is a registered charity, number 1129534.

3 Donations

During the year the Trust received donations amounting to £5,541 (2022: £6,311). All of these donations, for both years, are attributable to unrestricted income funds.

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

4 Trading income	Consolidated		Trust	
	2023	2022	2023	2022
	£	£	£	£
Business Management Centre fees	149,667	107,325	-	-
Sundry trading income	-	2,992	-	-
	<u>149,667</u>	<u>110,317</u>	<u>-</u>	<u>-</u>

All of the above income is attributable to unrestricted income funds.

The Trust's wholly-owned subsidiary, St Bees Enterprises Limited, initially took over the trading aspects of the charity's activities, including the running of the Business Management Centre and Golf Course, from 1 September 1997. After the closure of the School on 3 July 2015 the subsidiary took over the running of additional activities, including sports facility lettings and Holidayfests. From 1 September 2017 all activities, save for the running of the Business Management Centre, were taken over by St Bees School Management Company Limited, the Trust's joint venture company.

Sundry trading income pertains to other income received by the trading subsidiary. During the year ended 31 July 2023 St Bees Enterprises Limited received Government grants totalling £nil (2022: £2,992). This amount consists entirely of grants in respect of the Coronavirus Job Retention Scheme of £nil (2022: £2,992).

The trading results of St Bees Enterprises Limited, extracted from its audited accounts, are shown in note 12.

5 Charitable activity income	Consolidated and Trust	
	2023	2022
	£	£
General funds		
VAT reclaimed	321	300
Sundry income	4	-
	<u>325</u>	<u>300</u>
Endowment funds		
Royalties received	17,351	19,304
	<u>17,676</u>	<u>19,604</u>

6 Other income	Consolidated and Trust	
	2023	2022
	£	£
Profit on disposal of fixed assets - Charity	9,560	-
	<u>9,560</u>	<u>-</u>

All of the other income in year ended 31 July 2023 and year ended 31 July 2022 was attributable to unrestricted income funds.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

7	Interest payable	2023	2022
		£	£
	Loan interest payable to Full Circle Education Limited	11,167	17,081
	Other interest	-	22
	Total for Charity	11,167	17,103
	Bank loan interest payable by subsidiary	459	588
	Total for Group	11,626	17,691

All of the interest payable in year ended 31 July 2023 and year ended 31 July 2022 was attributable to unrestricted funds.

8	Expenditure	Consolidated		Trust	
		2023	2022	2023	2022
		£	£	£	£
	Charitable Activity expenditure includes:				
	Staff costs (note 10)	79,958	68,716	37,341	32,090
	Loss on disposal of tangible fixed assets	-	305	-	305
	Depreciation of tangible fixed assets (note 11) owned assets	4,858	4,637	349	349
	Audit fee	-	3,475	-	2,660
	Independent Examiner's fee	1,020	-	1,020	-

9	Analysis of total resources expended	Staff costs	Other	Depreciation and impairment	Total 2023	Total 2022
		£	£	£	£	£
	Expenditure on Raising funds:					
	Interest	-	11,167	-	11,167	17,103
	Total for charity	-	11,167	-	11,167	17,103
	Trading costs of the subsidiary	42,617	57,861	4,509	104,987	89,556
	Interest costs of the subsidiary	-	459	-	459	588
	Total for group	42,617	69,487	4,509	116,613	107,247
	Expenditure on Charitable activities:					
	Continuing activities:					
	Grants payable	-	3,520	-	3,520	-
	Establishment costs	37,341	63,412	-	100,753	114,205
	Administration	-	15,454	349	15,803	(799)
	Total for charity and group	37,341	82,386	349	120,076	113,406
	Total expenditure - Group	79,958	151,873	4,858	236,689	220,653
	Total expenditure - Charity	37,341	93,553	349	131,243	130,509

During the year ended 31 July 2023 the total group expenditure of £236,689 was entirely attributable to unrestricted funds. During the year ended 31 July 2022 the total group expenditure of £220,653 was entirely attributable to unrestricted funds.

10 Staff costs	2023	2022
	£	£
Wages and salaries	74,324	61,993
Social security costs	2,848	2,527
Pension costs	2,786	4,196
	79,958	68,716
The average number of employees in the year was:	Number	Number
Domestic, maintenance and other staff	4	4
Administration	3	3
	7	7

The trustees are not remunerated, and no expenses were paid during the year (2022: £nil).

There were no higher paid employees during the year (2022: None).

Defined contribution pension schemes

Pension contributions are made in respect of the defined contribution pension schemes of certain employees. The pension cost charge represents contributions payable by the group to the funds and amounted to £2,786 (2022: £4,196). Contributions amounting to £nil (2022: £176) are included in creditors at the year end.

11 Tangible fixed assets

Consolidated	Fixtures Fittings and Equipment £	Freehold Land and Buildings £	Total £
Cost or valuation			
1st August 2022	106,071	4,842,353	4,948,424
Additions	2,222	-	2,222
Disposals	-	(414,853)	(414,853)
Revaluations	-	-	-
31st July 2023	108,293	4,427,500	4,535,793
Depreciation			
1st August 2022	84,099	-	84,099
Charge for year	4,858	-	4,858
Disposals	-	-	-
Revaluations	-	-	-
31st July 2023	88,957	-	88,957
Impairment			
1st August 2022	-	-	-
Charge for year	-	-	-
Disposals	-	-	-
31st July 2023	-	-	-
Net book values			
31st July 2023	19,336	4,427,500	4,446,836
<i>31st July 2022</i>	<i>21,972</i>	<i>4,842,353</i>	<i>4,864,325</i>

11 Tangible fixed assets (continued)

Trust	Fixtures Fittings and Equipment £	Freehold Land and Buildings £	Total £
Cost or valuation			
1st August 2022	35,609	4,842,353	4,877,962
Additions	-	-	-
Disposals	-	(414,853)	(414,853)
Revaluations	-	-	-
31st July 2023	35,609	4,427,500	4,463,109
Depreciation			
1st August 2022	34,114	-	34,114
Charge for year	349	-	349
Disposals	-	-	-
Revaluations	-	-	-
31st July 2023	34,463	-	34,463
Impairment			
1st August 2022	-	-	-
Charge for year	-	-	-
Disposals	-	-	-
31st July 2023	-	-	-
Net book values			
31st July 2023	1,146	4,427,500	4,428,646
<i>31st July 2022</i>	<i>1,495</i>	<i>4,842,353</i>	<i>4,843,848</i>

11 Tangible fixed assets (continued)

The Trust's freehold land and buildings were valued at £4,427,500 on 31 July 2023 by the directors. The basis of valuation used was market value. The directors considered that this figure was an accurate valuation of the properties as at 31 July 2023. As a result there was no surplus or deficit on revaluation for the year ended 31 July 2023 (2022: Deficit of £85,147).

It should be noted that the valuation above is based on the Trust's properties being marketed in an orderly way, which the directors believe presents a true and fair view. Should the properties be sold to one individual as a single lot the valuation would be lower.

An impairment review was carried out on fixed assets at the year end and it was concluded that there was no impairment.

Tangible fixed assets included at a valuation would have been included on a historical cost basis at:

	Consolidated and School	
	2023	2022
	£	£
Cost	2,122,368	2,297,195
Depreciation	(515,006)	(517,782)
Net book value	1,607,362	1,779,413

The figures stated above for cost or valuation include valuations as follows:

	Consolidated		School	
	2023	2022	2023	2022
	£	£	£	£
At cost	-	-	-	-
At valuation	4,427,500	4,842,353	4,427,500	4,842,353
	4,427,500	4,842,353	4,427,500	4,842,353

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

12 Fixed asset investments	2023 £	2022 £
Consolidated market value as above		-
Share of net assets in joint ventures - valued on equity method		
Investment in St Bees School Management Company Ltd - 25% of net assets.	-	-
Group undertakings - valued at fair value		
Investment in St Bees Enterprises Ltd - Ordinary £1 shares	2	2
Total for Trust	2	2
<u>Less: Eliminated on consolidation</u>	(2)	(2)
Total for Group	-	-

Investment in St Bees School Management Company Limited:

In June 2017 a joint venture company, St Bees School Management Company Limited (company number 10812320), was established. This company has taken on the responsibility for re-opening the School and all its operational activity and its support activities. The joint venture is a limited company registered in England and Wales which is wholly owned by Full Circle Education Group and St Bees School Trust.

Until 31 May 2019 the Trust was responsible for 25% of the investment in the joint venture company, with Full Circle being responsible for 75%. Thereafter Full Circle assumed full responsibility for the operation of St Bees School Management Company Limited.

Investment in St Bees Enterprises Ltd:

The Trust owns 100% of the ordinary shares in St Bees Enterprises Limited, which initially took over the trading aspects of the charity's activities, including the running of the Business Management Centre and the Golf Course, from 1st September, 1997. After the closure of the School on 3 July 2015, the subsidiary took over the running of additional activities, including sports facility lettings and Holidayfests. From 1 September 2017 all activities, save for the running of the Business Management Centre, were taken over by St Bees School Management Company Limited, the Trust's joint venture company. St Bees Enterprises Ltd, which was incorporated on 20th August 1997, covenants its taxable profits to the Trust. The company registration number is 0342277.

12 Fixed asset investments (continued)**Investment in St Bees Enterprises Ltd (continued):**

The trading results of St Bees Enterprises Limited, extracted from its audited accounts were:-

	2023 £	2022 £
Turnover	149,667	107,325
Cost of sales	(26,243)	(15,759)
Gross profit	123,424	91,566
Administration	(78,745)	(73,793)
Other operating income	-	2,992
Operating (loss)/profit for the year:	44,679	20,765
Interest received	-	-
Interest payable	(459)	(588)
Net (loss)/profit before taxation	44,220	20,177
Taxation	-	-
Net (loss)/profit after taxation	44,220	20,177
Covenant - gross	(46,063)	(16,296)
Retained (loss)/profit	(1,843)	3,881
The assets and liabilities of St Bees Enterprises Ltd were:		
	2023 £	2022 £
Tangible fixed assets	18,190	20,478
Current assets	80,343	55,389
	98,533	75,867
Creditors: amounts falling due within one year	(62,302)	(32,433)
Creditors: amounts falling due after one year	(10,176)	(15,533)
	26,055	27,901
Represented by:		
Share capital	2	2
Profit and loss account	26,053	27,899
	26,055	27,901

There were no amounts invoiced by the Trust or the subsidiary company to the other party for goods and services provided in either the current or prior year.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

13 Stocks

	Consolidated and Trust	
	2023	2022
	£	£
Heating oil	200	200
	200	200

14 Debtors

	Consolidated		Trust	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	35,354	27,531	10,297	6,523
Loan to joint venture company	38,692	35,652	38,692	35,652
Covenanted profits				
due from trading company	-	-	46,063	16,296
Other debtors	3,353	2,923	789	1,203
Prepayments and accrued income	10,606	16,362	10,606	16,362
	88,005	82,468	106,447	76,036

The purpose of the loan to the joint venture company is to provide school equipment and stock. There are no formal repayment terms, and the loan is unsecured and interest-free. The Trust withdrew as a joint venturer on 31 May 2019 however the loan remains in place.

15 Creditors	Consolidated		Trust	
Amounts falling due within one year	2023 £	2022 £	2023 £	2022 £
Bank loan	5,357	5,225	-	-
Trade creditors	9,622	17,612	6,610	14,872
Other taxation and social security	6,241	5,751	-	-
Other creditors	-	176	-	-
Accruals and deferred income	19,799	64,870	18,171	62,623
Loan - St Bees Enterprises Ltd	-	-	26,592	19,388
Loans - Full Circle Education Group (unsecured) - see below	143,733	427,026	143,733	427,026
Loans - Old St Beghians Guarantee Trust Fund (unsecured) - see below	179,274	179,274	179,274	179,274
Lease liability - Old St Beghians Guarantee Trust Fund (unsecured) - see below	1,600,000	1,600,000	1,600,000	1,600,000
	1,964,026	2,299,934	1,974,380	2,303,183

Loans - Full Circle Education Group

Full Circle Education Group is the Trust's co-venturer in St Bees School Management Company Limited, the joint venture company responsible for re-establishing the School. The loans from Full Circle were to assist with the Trust's financial commitments to invest in the joint venture. The loans are unsecured and interest is charged at a commercial rate as detailed in note 7 to the accounts.

Loans - Old St Beghian Guarantee Trust Fund

The Old St Beghian Guarantee Trust Fund (OSBGTF) is part of the alumni organisation for the School. OSBGTF owns a number of properties used by St Bees School for which a rental charge is made. Funds have also been loaned to St Bees School, unsecured and interest free. There is no formal loan agreement in place. Following the announcement in March 2015 that the School would close at the end of Summer Term 2015 the loan was reclassified as falling due within one year and has been reflected as such in the accounts from the 31 July 2014 onwards. The Trust has received a letter of comfort from the OSBGTF stating that it is not, currently, their intention to demand repayment of all or any part of the loan.

Lease liability - Old St Beghian Guarantee Trust Fund

The lease liability at 31 July 2023 and 31 July 2022 consisted of £1,600,000 in respect of the lease of Lonsdale Terrace and land at Wood Lane from the Old St Beghians Guarantee Trust Fund. Provision has been made for rent relating to both arrears and the unexpired term of the lease, together with a liability in respect of re-instatement works in connection with the terms of the lease, having given due consideration to professional dilapidation survey reports and the subsequent deterioration of the properties. The directors consider a liability of £1,600,000 as being appropriate, consisting of £408,250 in respect of unpaid rental, £1,100,000 in respect of dilapidations and capital re-instatement, and £91,750 in respect of consequential costs.

Bank loan

The bank loan consists of a Bounce Back loan taken out by St Bees Enterprises Limited in May 2020.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

16 Creditors	Consolidated		School	
Amounts falling due after more than one year	2023 £	2022 £	2023 £	2022 £
Bank loan	10,176	15,533	-	-
	<u>10,176</u>	<u>15,533</u>	<u>-</u>	<u>-</u>
Bank loan		2023 £		2021 £
This is repayable as follows:				
In the next year - see note 15		5,357		5,225
In the second to fifth years		10,176		15,533
After five years		-		-
		<u>15,533</u>		<u>20,758</u>

Bank loan

The bank loan consists of a Bounce Back loan taken out by St Bees Enterprises Limited in May 2020.

17 Commitments

(a) At 31 July 2023 the Group and Trust had no operating lease commitments (2022: £nil).

(b) At 31 July 2023 the Group and Trust had no capital commitments (2022: £nil).

(c) At 31 July 2023 the Group and Trust had financial commitments of £nil (2022: £nil).

18 Going concern

St Bees School ceased to be operated by the charity on its closure at the end of the Summer Term 2015. Full details regarding the effect on going concern are given in note 1.1 to the accounts.

19 Taxation

The Trust is a registered charity and is exempt from corporation tax under the provision of Section 478 of the Corporation Tax Act 2010.

St Bees Enterprises Limited is a trading subsidiary of the Trust and is liable to corporation tax on its taxable profits at the applicable rate.

20 Related party transactions

At 31 July 2023 the charity owed loans of £179,274 (2022: £179,274) to the Old St Beghian Guarantee Trust Fund, which is closely connected to the St Beghian Society, the alumni organisation for the School. Mr R Calvin, the spouse of Mrs S Calvin, a director of St Bees School, is a trustee of the Old St Beghian Guarantee Trust Fund. Further details regarding the loans are included in note 15 to the accounts.

At 31 July 2023 the charity owed £1,600,000 (2022: £1,600,000) to the Old St Beghian Guarantee Trust Fund in respect of lease liabilities. Further details regarding this liability are included in note 15 to the accounts.

At 31 July 2023 the charity owed loans of £143,733 (2022: £427,026) to Full Circle Education Group, the Trust's co-venturer in St Bees School Management Company Limited. Additionally, accrued interest of £11,167 (2022: £56,707) was outstanding on these loans at the balance sheet date. Further details regarding the loans are included in note 15 to the accounts.

During the year St Bees School Management Company Limited, the Trust's joint venture company, invoiced the Trust for goods and services provided amounting to £37,865 (2022: £35,888). These items are included within administration expenses.

Under a deed of covenant dated 25 August 1998 the subsidiary company, St Bees Enterprises Limited, has covenanted to pay the parent charity, St Bees School, an annual sum not exceeding its taxable profits for the accounting year. For the year ended 31 July 2023 this amounted to £46,063 (2022: £16,296).

During the year St Bees Enterprises Limited invoiced St Bees School Management Company Limited for goods and services provided amounting to £42 (2022: £160). These items are included within income.

During the year St Bees School Management Company Limited invoiced St Bees Enterprises Limited for goods and services provided amounting to £210 (2022: £38). These items are included within administration expenses.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

21 Allocation of the group net assets

Fund balances at 31 July 2023 as represented by:

	Fixed Assets	Current Assets	Current Liabilities	Provisions/ Long term Liabilities	Total
	£	£	£	£	£
Endowment funds	1,451,985	1,241	-	-	1,453,226
Restricted funds	-	-	-	-	-
Unrestricted funds	2,994,851	169,606	(1,964,028)	(10,176)	1,190,253
Total for group	4,446,836	170,847	(1,964,028)	(10,176)	2,643,479

Allocation of the group net assets - previous year

Fund balances at 31 July 2022 as represented by:

	Fixed Assets	Current Assets	Current Liabilities	Provisions/ Long term Liabilities	Total
	£	£	£	£	£
Endowment funds	1,433,312	2,563	-	-	1,435,875
Restricted funds	-	-	-	-	-
Unrestricted funds	3,431,013	114,766	(2,299,934)	(15,533)	1,230,312
Total for group	4,864,325	117,329	(2,299,934)	(15,533)	2,666,187

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

22 Analysis of movements in endowment funds

	Balance 1 August 2022 £	Incoming Resources £	Resources Expended £	Transfers and Gains/ (Losses) £	Balance 31 July 2023 £
<i>Permanent Funds:</i>					
Capital	1,000	-	-	-	1,000
Royalties	740,875	17,351	-	-	758,226
Capital replacement fund	694,000	-	-	-	694,000
Group and Trust	1,435,875	17,351	-	-	1,453,226

Analysis of movements in endowment funds - previous year

	Balance 1 August 2021 £	Incoming Resources £	Resources Expended £	Transfers and Gains/ (Losses) £	Balance 31 July 2022 £
<i>Permanent Funds:</i>					
Capital	1,000	-	-	-	1,000
Royalties	721,571	19,304	-	-	740,875
Capital replacement fund	694,000	-	-	-	694,000
Group and Trust	1,416,571	19,304	-	-	1,435,875

The capital fund represents a nominal amount relating to the original endowment of the School land and buildings.

The royalties fund has been created to provide for the loss of the permanent endowment on Birkham's Quarry, a sandstone quarry which was part of the original asset base of the Trust. As the sandstone is quarried, the asset is eroded and the royalties received replace the diminution in value of the asset. The income from royalties arises from land held on permanent endowment and is subsequently utilised on improvements to the Trust's land and buildings. The credit balance on the royalties fund is thus not represented by cash but by tangible fixed assets.

The direction by an order of the Charity Commission dated 10 July 2015 approved the expenditure of a total of £694,000 of endowment funds to expedite the winding down of the School's affairs following closure on 3 July 2015, under the power given in section 105 of the Charities Act 2011.

This expenditure is subject to the creation of a Capital replacement fund by appropriating expendable property to the value of £694,000 as permanent endowment in the records of the charity.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

23 Analysis of movements in unrestricted funds

	Balance 1 August 2022 £	Incoming Resources £	Resources Expended £	Transfers and Gains/ (Losses) £	Balance 31 July 2023 £
Designated:					
Extraordinary repair fund	30,000	-	-	1,000	31,000
Property revaluation reserve	2,601,324	-	-	(262,416)	2,338,908
Capital fund	883,563	-	-	(248,197)	635,366
Trust general fund	(2,312,679)	46,963	(131,243)	555,880	(1,841,079)
Sub-total - Trust	1,202,208	46,963	(131,243)	46,267	1,164,195
Reserves - St Bees Enterprises Limited	28,104	149,667	(105,446)	(46,267)	26,058
Consolidated funds	1,230,312	196,630	(236,689)	-	1,190,253

Analysis of movements in unrestricted funds - previous year

	Balance 1 August 2021 £	Incoming Resources £	Resources Expended £	Transfers and Gains/ (Losses) £	Balance 31 July 2022 £
Designated:					
Extraordinary repair fund	29,000	-	-	1,000	30,000
Property revaluation reserve	2,816,471	-	-	(215,147)	2,601,324
Capital fund	883,563	-	-	-	883,563
Trust general fund	(2,381,504)	54,038	(130,509)	145,296	(2,312,679)
Sub-total - Trust	1,347,530	54,038	(130,509)	(68,851)	1,202,208
Reserves - St Bees Enterprises Limited	24,226	110,318	(90,144)	(16,296)	28,104
Consolidated funds	1,371,756	164,356	(220,653)	(85,147)	1,230,312

The Charity Commission have directed that a yearly sum of not less than £1,000 shall be invested for the purpose of providing for the extraordinary repair, improvement or rebuilding of property belonging to the Trust.

The property revaluation reserve represents the surplus on revaluation of the charity's properties. Disposal of property during the year resulted in a transfer of £262,416 (2022: £130,000) from the revaluation reserve to unrestricted general funds. The charity's properties were revalued during the year ended 31 July 2023 with no surplus or deficit arising (2022: Deficit of £85,147).

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

23 Analysis of movements in unrestricted funds (continued)

The capital fund represents amounts invested in land and buildings, which were previously funded by loans from The Friends of St Bees School General Charitable Trust. The Friends converted all loans into a donation on 31 July 2017, £883,563 of which pertained to capital fund investment. Depreciation on the charity's property is charged to this fund. The capital fund is represented entirely by land and buildings.

Disposal of property during the year resulted in a transfer of £152,437 (2022: £nil) from the capital fund to unrestricted general funds, with a further transfer of £95,761 (2022: £nil) being made from the capital fund to unrestricted general funds to ensure that the balances on the property revaluation reserve, unrestricted capital fund, and endowment funds equate to the current balance sheet total for land and buildings.

The Trust's general fund is retained to provide working capital and may be used for the charity's general purposes. The Trust's general fund showed a deficit of £1,841,079 at 31 July 2023 (2022: Deficit of £2,312,679).

The Trustees are taking steps to reduce the deficit on general funds in line with best practice.

24 Gross cash flows

	Group 2023 £	<i>Group 2022 £</i>
Reconciliation of net movement in funds to net cash inflow/(outflow) from operating activities		
Net movement in funds	(22,708)	(122,140)
Endowment donations	(17,351)	(19,304)
Depreciation	4,858	4,637
(Profit)/loss on sale of fixed assets	(9,560)	305
(Gains)/losses on revaluations	-	85,147
(Increase)/decrease in debtors	(5,537)	66,317
Increase/(decrease) in creditors	(52,746)	(1,552)
Net cash (used in)/provided by group operating activities	(103,044)	<i>13,410</i>

ST BEES SCHOOL

England & Wales - Charity number 1129534

Accounts

ST BEES SCHOOL
(A company limited by guarantee)



DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

Registered charity number: 1129534

Registered company number: 06595861

robinson+co

CHARTERED ACCOUNTANTS

ST BEES SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

CONTENTS

	Page
Company Information	1 - 2
Directors' Report	3 - 10
Independent Auditor's Report	11 - 13
Consolidated Statement of Financial Activities	14
Group and Company Balance Sheets	15
Consolidated Cash Flow Statement	16
Notes	17 - 37

ST BEES SCHOOL

COMPANY INFORMATION

FOR THE YEAR ENDED 31 JULY 2022

Charity number: 1129534

Company number: 06595861

Directors:

The directors of the company are also Governors of the School and trustees for the purposes of Charity law.

Mrs S J Calvin

Mr M D George (Chairman)

Mr T Kelly

Mr R F Lacey

Mr P G Lever

Mr A D Lord

Mr M N Roberts

Dr A M Simper

Officers:

Company Secretary:

Mr T Kelly

The Clerk to the Governors:

Mr T Kelly

The organisational management is carried out by the trustees themselves, whilst the day to day operations are undertaken by a small team of staff being supported by nominated local trustees.

ST BEES SCHOOL**COMPANY INFORMATION**

(continued)

FOR THE YEAR ENDED 31 JULY 2022

**Principal Address and
Registered Office:**

Wood Lane
St Bees School
ST BEES
CA27 0DS

Advisers**Bankers:**

NatWest Bank plc
Chatham Customer Service Centre
Western Avenue
Waterside Court
Chatham Maritime
Chatham
Kent
ME4 4RT

Solicitors:

Nabarro LLP
1 The Avenue
Spinningfields
Manchester
M3 3AP

Auditors:

robinson+co
Chartered Accountants
Oxford Chambers
New Oxford Street
Workington
CA14 2LR

Insurance Brokers:

Marsh Limited
Capital House
1-5 Perrymount Road
Haywards Heath
West Sussex
RH16 3SY

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2022

The Directors of St Bees School Trust present their annual report for the year ended 31 July 2022, together with the audited accounts for the year, and confirm that they comply with the requirements of the Companies Act 2006 and the Charities Act 2011.

RE-OPENING OF THE SCHOOL

The New School entered its fourth academic year in September 2021. The Trustees continue to retain confidence in Full Circle Education Group to manage the school and provide an enhanced educational experience to all students.

The St Bees School Trust remained focused on managing the School estate and commercial business activities to provide ongoing financial support to the development of the school and improvement of school facilities.

REFERENCE AND ADMINISTRATIVE INFORMATION

St Bees School was founded in 1583. The charitable company was formed on 19 May 2008 and is registered with the Charity Commission as charity number 1129534. The words 'Charity', 'Company', 'Charitable Company', 'Charitable Trust', 'Trust' and 'School' are used interchangeably to refer to St Bees School. The Trustees are listed on page 1. The registered office address of the Charity and the particulars of the Charity's advisers are given on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Whilst the School was founded in 1583, the charitable company is governed by its Memorandum and Articles of Association as adopted on 19 May 2008 and altered by Special Resolutions dated 1 August 2009 and 15 January 2016.

Governing Body

The directors of the Company are also trustees for the purposes of Charity law.

Composition of Governing Body post 15 January 2016

The number of Governors shall be not less than 6 and not more than 12 competent persons, being any of 4 Governors appointed by the Old St Beghians' Club as set out in article 8.2, 4 being appointed from the local community as set out in article 8.3 and not more than 4 co-opted Governors appointed by the Board of Governors.

Recruitment and Training of Trustees

Attention is paid to ensure that the Board of Trustees maintains a balance of skills and diversity in order to function effectively.

Organisational Management

The organisational management of the Trust is carried out by the Trustees themselves, whilst day to day commercial activities are undertaken by a small administrative team based at the Trust's Business Management Centre.

The Trustees comprise the key management personnel of the organisation. All trustees give of their time freely and no trustee remuneration was paid in the year.

Group Structure and Relationships

In May 2019 Full Circle Education Group assumed full responsibility for the operation of the St Bees School Management Company Limited. The Management Company being responsible for the majority of the onsite facilities. Full Circle operate the School under an Agreement with the Charitable Trust. The Agreement is retractable by the charity if the agreed educational and operational objectives are not achieved. Annual review procedures are in place to enable the Charity to monitor the performance of Full Circle in the role of school operator.

The Charity has a wholly owned subsidiary, St Bees School Enterprises Limited (company number 03422777) which was incorporated in August 1997. This is the commercial arm of the School and manages the Whitelaw Management Centre.

The Directors of the St Bees Enterprises Limited have continued to operate the Business Management Centre profitably during 2021/22, with revenues recovering gradually from the effects of the COVID-19 pandemic.

St Bees School acts as trustee of two linked charities, St Bees School Trust and Bursary Fund. Although part of the School's permanent endowments are held by the company in trust for the charities, following the Charity Commission's order dated 10 July 2015 these endowments have been spent and replaced by appropriating expendable property as permanent endowment in their place.

The Old St Beghian Guarantee Trust Fund is closely linked with the St Beghian Society, the alumni organisation for the School, and provides financial support to the Charitable Trust. The financial assistance provided via the Old St Beghian Guarantee Trust Fund includes amounts loaned to the School in the sum of £179,274 as at 31 July 2021 (2021: £179,024). The management of the society is vested in a Committee of Alumni.

Risk management

The Directors examine the major risks that the Charity faces on an ongoing basis to control and mitigate potential impacts.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Objects

The objects of the charity are to advance the education of boys and girls by the provision of a day and/or boarding school in or near St Bees or elsewhere in Cumbria and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

Strategies to Achieve the Objectives

Mission statement

The School was founded in 1583 by the then Archbishop of Canterbury, Edmund Grindal. The trustees' goal is to return an educational institution onto the St Bees campus in alignment with Edmund Grindal's principles. Our Mission is:

To re-establish St Bees School as a vibrant and sustainable centre for the outstanding education and all-round development of young people in accordance with Archbishop Grindal's legacy'.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Strategies to Achieve the Objectives (continued)

Objectives

- To have effective and transparent trusteeship;
- To maintain the existing assets and infrastructure in good order;
- To identify the most appropriate operating model for St Bees School; and
- To secure the necessary investment and support to develop the existing assets and infrastructure to support the identified model.

Progress

Pupil numbers continue to rise in the year with the 150 pupil target becoming a reality. At this level the School will become financially stable. The financial pressures of the global pandemic were passing and international students were returning to the U.K. Despite the uncertainties of the past year Full Circle have remained committed to the redevelopment of the school and progress is evident in all areas of school activity.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities, and how these planned activities will contribute to the aims and objectives they have set. In particular, the trustees have given careful consideration to the supplementary public benefit guidance on advancing education and on fee-charging.

STRATEGIC REPORT

The Strategic Report, as required by the Companies Act 2006, is included within this Directors' Report and comprises the sections on Policies through to Future Plans.

Policies

As part of the School reopening the following policies will be developed:-

- Access policy
- Bursary Policy
- Scholarship policy
- Project support policy

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

Trust Commercial Activity

The Business Management Centre bookings bounced back post Covid and discussions are in hand to let the entire first floor of the building on a five year lease. This will provide a significant increase to Trust revenues.

The Trustees have continued to peruse sales of redundant assets within its estate releasing cash to support the school development while reducing its own costs.

As pupil numbers increase the future of the School becomes more certain however significant issues remain to be managed including the provision of additional boarding capacity and the refurbishment of teaching facilities.

Partnership with Full Circle

The Trust anticipates substantially reducing its indebtedness to Full Circle in the coming year with the sale of Grindal House. This will significantly improve the Trust's commercial decision-making ability.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

As explained in note 1.1 to the accounts, the Directors believe that, whilst there are material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue to adopt the going concern basis of accounting in the future, the going concern presumption is nevertheless valid and they have not departed from this basis.

Although the School has been re-opened from September 2018, the material uncertainties relate to the viability, both financial and non-financial, of the re-establishing of the School on the St Bees campus.

The basis of preparation continues to include, where appropriate, the writing down of the company's assets to net realisable value. Provision has also been made for any onerous contractual commitments at the balance sheet date. The financial statements do not include any provision for the future costs of terminating any part of the business of the company except to the extent that such were committed at the balance sheet date.

The net consolidated income for the year amounted to £183,660 (2021: £163,436). Income increased by 12% from last year. Total consolidated expenditure, excluding exceptional items, increased by 22% from last year.

The Trust reported an operating deficit, excluding exceptional items, property depreciation, and covenant from subsidiary, on the General Fund of £76,472 for the year ended 31 July 2022, against an operating deficit of £61,578 for the year ended 31 July 2021. Profits of £16,296 (2021: £19,394) were transferred from the subsidiary company, St Bees Enterprises Limited, via deed of covenant.

During the year the Trust recognised donations amounting to £6,311 (2021: £6,513).

The Trust's freehold land and buildings were revalued at £4,842,353 on 31 July 2022 by the directors. The basis of valuation used was market value. The directors considered that this figure was an accurate valuation of the properties as at 31 July 2022. As a result there was a deficit on revaluation for the year ended 31 July 2022 of £85,147 (2021: surplus of £120,000).

Proceeds of £129,695 were received from the sale of land on Whitehaven Road during the year.

The directors continue to consider a lease liability due to Old St Beghians Guarantee Trust Fund of £1,600,000 as being appropriate, consisting of £408,250 in respect of both rent arrears and the unexpired term of the lease, £1,100,000 in respect of dilapidations and capital re-instatement, and £91,750 in respect of consequential costs. This resulted in an exceptional cost of £nil (2021: £101,333) in the year (see note 8).

The trading subsidiary ran the Business Management Centre throughout the year, with revenues recovering gradually from the effects of the COVID-19 pandemic.

The profit for St Bees Enterprises Limited for the year ended 31 July 2022 was £20,177 (2021: profit of £18,872), prior to calculation of taxable profits to be covenanted to the Trust of £16,296 (2021: £19,394).

The net movement in funds, as shown by the consolidated statement of financial activities, for the year ended 31 July 2022 was a deficit of £122,140 after allowing for a loss on revaluation of fixed assets of £85,147 (2021: Surplus of £1,640 after allowing for a gain on revaluation of fixed assets of £120,000 and exceptional costs of £101,333).

Reserves

Note 21 to the accounts shows the assets and liabilities attributable to the various funds by type. Notes 22 and 23 describe the various funds of the Charity and summarise the year's movements on each fund. Group unrestricted funds amounted to £1,230,312 (2021: £1,371,756) however there were no free reserves available in either year.

The School's general fund showed a deficit of £2,312,679 after a transfer of £130,000 from the revaluation reserve following the sale of land on Whitehaven Road (2021: Deficit of £2,381,504 after exceptional costs of £101,333).

The Trust's unrestricted reserves are primarily invested in tangible fixed assets which are used for its direct charitable activities. Current policy following the closure of the School in 2015 is to preserve funds as far as possible whilst alternative future possibilities are explored. This includes the maintenance of the existing assets and infrastructure and generation of income needed to sustain the necessary transitional activities.

The Trustees are taking steps to reduce the deficit on general funds in line with best practice.

Investment Policy and Objectives

Investment powers are governed by the Memorandum and Articles of Association. Investment decisions are made by the trustees with the assistance of professional investment advisers. The investment portfolio is no longer active and therefore the investment advisers have ceased in making monthly reports to the trustees and holding meetings to discuss the investment policy and portfolio performance. Consequently no investment performance is reported in the year.

Previously, investments were held to create income and capital growth pending utilisation, whilst preserving the value of endowment funds.

PRINCIPAL RISKS AND UNCERTAINTIES

As stated on page 4, the trustees examine the major risks that the charity faces each financial year. These are summarised as follows:

Financial risks and uncertainties

These risks and uncertainties include potential increases in costs, major fire/disaster, cash flow and loss of charitable status.

Personnel risks and uncertainties

These include loss and recruitment of key personnel and compliance with employment legislation.

Administrative risks and uncertainties

This risk has been identified as security of data held on IT systems.

Safety risks and uncertainties

Risks and uncertainties arise from safeguarding of staff and the public and compliance with health and safety and fire regulations.

Governance risks and uncertainties

These include insuring potential liability claims and the impact of inadequate insurance, and discharging statutory responsibilities.

Other risks and uncertainties

The principal other risk is from a loss of reputation. Further risks include unauthorised site access and dilapidation to buildings and facilities.

The Charity has developed systems to monitor and control the above risks, where possible, to mitigate any impact that they may have on it in the future.

FUTURE PLANS

The Trustees aim to increase financial support to the School. This will be achieved through the sales of further Trust assets superfluous to the requirements of the current school at the same time generating increased revenues from commercial activity and reducing costs associated with running the Trust.

DIRECTORS

The Directors who served during the year are set out on page 1.

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2022

STATEMENT OF DISCLOSURE TO AUDITOR

In so far as the Directors are aware:

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

ACCOUNTING AND REPORTING RESPONSIBILITIES

The Charities Act 2011 and the Companies Act 2006 require the directors of the charitable company and group to prepare financial statements for each financial year which give a true and fair view of its financial activities during the year and its financial position at the end of the year.

In preparing the financial statements the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards and the Charities SORP, disclosing and explaining any departures in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

The Directors are responsible for keeping proper accounting records which are such as to disclose, with reasonable accuracy, the financial position of the Company at any time, and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

In approving the Directors' Report the trustees are also approving the Strategic Report in their capacity as company directors.

Approved by the Board of Directors on 05 April 2023
and signed on its behalf by:

P G Lever
Director

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF ST BEES SCHOOL
FOR THE YEAR ENDED 31 JULY 2022**

Opinion

We have audited the group and parent charitable company financial statements (the 'financial statements') of St Bees School for the year ended 31 July 2022, which comprise the consolidated statement of financial activities (including income and expenditure account), the consolidated and charitable company balance sheets, consolidated cash flow statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. These financial statements have been prepared under the accounting policies set out therein. As described in note 1.1, they have been prepared on a going concern basis.

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 July 2022 and of their income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Emphasis of matter - material uncertainty relating to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1.1 to the financial statements concerning the company's ability to continue as a going concern. The conditions mentioned in note 1.1 indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include any adjustments that would result from a failure to continue as a going concern. Details of the circumstances relating to this emphasis of matter are described in note 1.1 to the financial statements. Our opinion is not qualified in this respect.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

OF ST BEES SCHOOL (continued)

FOR THE YEAR ENDED 31 JULY 2022

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Directors' responsibilities statement on page 10, the trustees (who are also the directors of St Bees School 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

OF ST BEES SCHOOL (continued)

FOR THE YEAR ENDED 31 JULY 2022

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. 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.

Jason Spires BSc FCA DChA (Senior Statutory Auditor)

For and on behalf of robinson+co.

Statutory Auditors and

Chartered Accountants

Oxford Chambers

New Oxford Street

Workington

CA14 2LR

Date: 05 April 2023

ST BEES SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2022

	Notes	Unrestricted Trust £	Funds Other £	Restricted Funds £	Endowed Funds £	Total 2022 £	<i>Total 2021 £</i>
INCOME							
Donations and legacies							
Donations	3	6,311	-	-	-	6,311	6,513
Other trading activities							
Trading income	4	-	110,318	-	-	110,318	84,459
Rent receivable		47,427	-	-	-	47,427	46,078
Income from Investments							
Bank and other interest		-	-	-	-	-	-
Income from Charitable Activities							
Charitable activity income	5	300	-	-	19,304	19,604	26,386
Total income and endowments		54,038	110,318	-	19,304	183,660	163,436
EXPENDITURE							
Expenditure on Raising funds							
Trading expenditure		-	89,556	-	-	89,556	64,922
Interest	6	17,103	588	-	-	17,691	18,281
		17,103	90,144	-	-	107,247	83,203
Expenditure on Charitable activities							
Schools and grantmaking:							
Continuing activities	9	113,406	-	-	-	113,406	97,260
Exceptional items	8	-	-	-	-	-	101,333
		113,406	-	-	-	113,406	198,593
Total expenditure	7-9	130,509	90,144	-	-	220,653	281,796
Net income/(expenditure) before transfers		(76,471)	20,174	-	19,304	(36,993)	(118,360)
Transfers between funds	23-24	16,296	(16,296)	-	-	-	-
		(60,175)	3,878				
NET INCOME/(EXPENDITURE)		(56,297)		-	19,304	(36,993)	(118,360)
Gains/(losses) on revaluation of fixed assets	11	(85,147)		-	-	(85,147)	120,000
NET MOVEMENT IN FUNDS		(141,444)		-	19,304	(122,140)	1,640
Balances brought forward at 1 August 2021		1,371,756		-	1,416,571	2,788,327	2,786,687
FUND BALANCES at 31 July 2022		1,230,312		-	1,435,875	2,666,187	2,788,327

All amounts derive from continuing activities, unless otherwise stated.

All gains and losses recognised in the the year are included in the Statement of Financial Activities.

The notes on pages 17 to 37 form part of these accounts

ST BEES SCHOOL

BALANCE SHEET

AS AT 31 JULY 2022

		Consolidated		Trust	
	Notes	2022	2021	2022	2021
		£	£	£	£
FIXED ASSETS					
School buildings and equipment	11	4,864,325	5,077,575	4,843,848	5,059,092
Investments	12	-	-	2	2
		4,864,325	5,077,575	4,843,850	5,059,094
CURRENT ASSETS					
Stocks	13	200	200	200	200
Debtors	14	82,468	148,785	76,036	151,548
Cash at bank and in hand		34,661	33,632	21,384	17,168
		117,329	182,617	97,620	168,916
CREDITORS: due within one year	15	(2,299,934)	(2,451,107)	(2,303,183)	(2,463,704)
NET CURRENT ASSETS/(LIABILITIES)		(2,182,605)	(2,268,490)	(2,205,563)	(2,294,788)
TOTAL ASSETS LESS CURRENT LIABILITIES		2,681,720	2,809,085	2,638,287	2,764,306
CREDITORS: due after more than one year	16	(15,533)	(20,758)	-	-
TOTAL NET ASSETS		2,666,187	2,788,327	2,638,287	2,764,306
ENDOWED FUNDS	22	1,435,875	1,416,571	1,435,875	1,416,571
RESTRICTED FUNDS		-	-	-	-
UNRESTRICTED FUNDS					
Unrestricted income funds		(1,371,012)	(1,444,715)	(1,398,912)	(1,468,736)
Revaluation reserve		2,601,324	2,816,471	2,601,324	2,816,471
	23	1,230,312	1,371,756	1,202,412	1,347,735
TOTAL FUNDS		2,666,187	2,788,327	2,638,287	2,764,306

The financial statements on pages 14 - 37 were approved by the Directors on 05 April 2023 and signed on their behalf by:

P G Lever
Director

Registered number 06595861
England and Wales

The notes on pages 17 to 37 form part of these accounts.

ST BEES SCHOOL**CONSOLIDATED CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 JULY 2022**

	Notes	2022 £	2021 £
Cash provided by/(used in) operating activities	24	13,410	(20,382)
Cash flows from investing activities			
Dividends and interest from investments		-	-
Proceeds from the sale of property, plant and equipment		129,695	-
Purchase of property, plant and equipment		(6,534)	(2,045)
Proceeds from the sale of investments		-	0
Purchase of investments		-	-
Cash provided by/(used in) investing activities		123,161	(2,045)
Cash flows from financing activities			
Increase in borrowing		-	-
Repayment of borrowing		(154,846)	(837)
Receipt of endowment		19,304	25,680
Cash (used in)/provided by financing activities		(135,542)	24,843
Increase in cash and cash equivalents in the year		1,029	2,416
Cash and cash equivalents at the beginning of the year		33,632	31,216
Cash and cash equivalents at the end of the year		34,661	33,632

The notes on pages 17 to 37 form part of these accounts.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are summarised below.

1.1 Basis of accounting

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The Directors believe that, whilst there are material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue to adopt the going concern basis of accounting in the future, the going concern presumption is nevertheless valid and they have not departed from this basis.

Although the School has been re-opened from September 2018, the material uncertainties relate to the viability, both financial and non-financial, of the re-establishing of the School on the St Bees campus.

The basis of preparation continues to include, where appropriate, the writing down of the company's assets to net realisable value. Provision has also been made for any onerous contractual commitments at the balance sheet date. The financial statements do not include any provision for the future costs of terminating any part of the business of the company except to the extent that such were committed at the balance sheet date.

The charity's presentational currency is UK sterling, rounded to the nearest £1.

The charity constitutes a public benefit entity as defined by FRS 102.

1.2 Group accounts

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary, St Bees Enterprises Limited, on a line by line basis. A separate statement of financial activities for the charitable company itself is not presented because it has taken advantage of the exemptions afforded by paragraph 408 of the Companies Act 2006.

1.3 Donations and fund accounting

Donations receivable for the general purposes of the Charity are credited to unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds where these wishes are legally binding on the trustees, except that donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments - permanent or expendable according to the nature of the restriction.

1 Accounting policies (continued)

1.4 Income

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

Amounts receivable for services and use of premises are accounted for in the period in which the service is provided.

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Income from investments is included in the year in which it is receivable.

1.5 Expenditure

Expenditure is accounted for on an accruals basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the period, either by reference to staff time or space occupied, as appropriate. Expenditure is stated inclusive of irrecoverable or non-attributable VAT, with any partially recoverable element being credited to the Statement of Financial Activities separately.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Expenditure on charitable activities comprises those costs incurred in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the trustees, and all the costs of complying with constitutional and statutory requirements, such as the cost of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability. These costs are included in support costs within expenditure on charitable activities.

1.6 Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

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

1 Accounting policies (continued)

1.7 Pension schemes

Contributions are made in respect of defined contribution pension schemes of certain employees.

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

1.8 Tangible fixed assets and depreciation

The School's freehold land and buildings are included in the accounts at valuation.

Freehold land is not depreciated. Freehold buildings are depreciated at 2% on a reducing balance basis. As the School's properties were revalued as at 31 July 2022, no depreciation has been provided for on these during the year.

Short leasehold buildings improvements are depreciated on a straight line basis over the remaining period of the lease.

Assets costing less than £2,000 are not capitalised.

Other fixed assets are included at cost and depreciation is calculated to write off their cost or valuation less any residual value on a straight line basis over their estimated useful lives as follows:

Computer Equipment	- over 3 years
Other Equipment	- over 10 years

An impairment review was carried out on fixed assets and where it was considered that their carrying amount exceeded the higher of their recoverable amount or value in use the assets were written down as necessary.

1.9 Investments

Fixed asset investments are included in the accounts at the mid-market value of each investment as at the balance sheet date. A note is also shown of the cost of each investment at that date. Gains and losses on disposal or revaluation of investments are charged or credited to the SOFA.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost. The carrying amount is then adjusted for the post-acquisition change in the Trust's share of net assets in the joint venture entity. The carrying amount of the investment in the joint venture is subsequently adjusted through the SOFA to reflect the Trust's share of the its results.

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.11 Financial instruments

The company only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at amortised cost.

1 Accounting policies (continued)

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

2 Statutory information

St Bees School is a private company, limited by guarantee, domiciled in England and Wales, registration number 06595861. The registered office is Wood Lane, St Bees School, St Bees, Cumbria, CA27 0DS. The company is a registered charity, number 1129534.

3 Donations

During the year the Trust received donations amounting to £6,311 (2021: £6,513). All of these donations, for both years, are attributable to unrestricted income funds.

ST BEES SCHOOL

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

4	Trading income	Consolidated		Trust	
		2022	2021	2022	2021
		£	£	£	£
	Business Management Centre fees	107,325	46,915	-	-
	Sundry trading income	2,992	37,545	-	-
		<u>110,317</u>	<u>84,460</u>	<u>-</u>	<u>-</u>

All of the above income is attributable to unrestricted income funds.

The Trust's wholly-owned subsidiary, St Bees Enterprises Limited, initially took over the trading aspects of the charity's activities, including the running of the Business Management Centre and Golf Course, from 1 September 1997. After the closure of the School on 3 July 2015 the subsidiary took over the running of additional activities, including Springfest and Summerfest. From 1 September 2017 all activities, save for the running of the Business Management Centre, were taken over by St Bees School Management Company Limited, the Trust's joint venture company.

Sundry trading income pertains to other income received by the trading subsidiary. During the year ended 31 July 2022 St Bees Enterprises Limited received Government grants totalling £2,992 (2021: £37,545). This amount consists of grants in respect of the Coronavirus Job Retention Scheme of £2,992 (2021: £28,503), Local Authority grants of £nil (2021: £8,486) and Bounce Back loan interest payable by the Government of £nil (2021: £556).

The trading results of St Bees Enterprises Limited, extracted from its audited accounts, are shown in note 14.

5	Charitable activity income	Consolidated and Trust	
		2022	2021
		£	£
	General funds		
	VAT reclaimed	300	705
	Sundry income	-	-
		<u>300</u>	<u>705</u>
	Endowment funds		
	Royalties received	19,304	25,680
		<u>19,604</u>	<u>26,385</u>

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

6 Interest payable	2022	2021
	£	£
Loan interest payable to Full Circle Education Limited	17,081	17,080
Other interest	22	535
Total for Charity	17,103	17,615
Bank loan interest payable by subsidiary	588	666
Total for Group	17,691	18,281

All of the interest payable in year ended 31 July 2022 and year ended 31 July 2021 was attributable to unrestricted funds.

7 Expenditure	Consolidated		Trust	
	2022	2021	2022	2021
	£	£	£	£
Charitable Activity expenditure includes:				
Exceptional items (note 8)	-	101,333	-	101,333
Staff costs (note 10)	68,716	48,715	32,090	3,393
Depreciation of tangible fixed assets (note 11) owned assets	4,637	3,686	349	349
Auditors' remuneration:				
for audit services	3,475	3,350	2,660	2,500
for accountancy and other services	9,468	8,390	3,631	3,022

8 Exceptional expenditure items	2022	2021
	£	£
Other provisions for onerous contractual commitments (note 15)	-	101,333
Total for Trust and Group	-	101,333

9	Analysis of total resources expended	Staff costs	Other	Depreciation and impairment	Total 2022	Total 2021
		£	£	£	£	£
	Expenditure on Raising funds:					
	Interest	-	17,103	-	17,103	17,615
	Total for charity	-	17,103	-	17,103	17,615
	Trading costs of the subsidiary	36,626	48,642	4,288	89,556	64,922
	Interest costs of the subsidiary	-	588	-	588	666
	Total for group	36,626	66,333	4,288	107,247	83,203
	Expenditure on Charitable activities:					
	Continuing activities:					
	Establishment costs	32,090	82,115	-	114,205	83,844
	Administration	-	(1,453)	654	(799)	13,416
		32,090	80,662	654	113,406	97,260
	Share of net expenditure in Joint Venture	-	-	-	-	-
	Exceptional items	-	-	-	-	101,333
	Total for charity and group	32,090	80,662	654	113,406	198,593
	Total expenditure - Group	68,716	146,995	4,942	220,653	281,796
	Total expenditure - Charity	32,090	97,765	654	130,509	216,208

During the year ended 31 July 2022 the total group expenditure of £220,653 was entirely attributable to unrestricted funds. During the year ended 31 July 2021 the total group expenditure of £281,796 was entirely attributable to unrestricted funds.

ST BEES SCHOOL**NOTES ON FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 JULY 2022**

10 Staff costs	2022	2021
	£	£
Wages and salaries	61,993	47,921
Social security costs	2,527	-
Pension costs	4,196	794
	68,716	48,715
The average number of employees in the year was:	Number	Number
Domestic, maintenance and other staff	4	2
Administration	3	3
	7	5

The trustees are not remunerated, and no expenses were paid during the year (2021: £nil).

There were no higher paid employees during the year (2021: None).

Defined contribution pension schemes

Pension contributions are made in respect of the defined contribution pension schemes of certain employees. The pension cost charge represents contributions payable by the group to the funds and amounted to £4,196 (2021: £794). Contributions amounting to £176 (2021: £nil) are included in creditors at the year end.

11 Tangible fixed assets

Consolidated	Fixtures Fittings and Equipment £	Freehold Land and Buildings £	Total £
Cost or valuation			
1st August 2021	99,537	5,057,500	5,157,037
Additions	6,534	-	6,534
Disposals	-	(130,000)	(130,000)
Revaluations	-	(85,147)	(85,147)
31st July 2022	106,071	4,842,353	4,948,424
Depreciation			
1st August 2021	79,462	-	79,462
Charge for year	4,637	-	4,637
Disposals	-	-	-
Revaluations	-	-	-
31st July 2022	84,099	-	84,099
Impairment			
1st August 2021	-	-	-
Charge for year	-	-	-
Disposals	-	-	-
31st July 2022	-	-	-
Net book values			
31st July 2022	21,972	4,842,353	4,864,325
<i>31st July 2021</i>	<i>20,075</i>	<i>5,057,500</i>	<i>5,077,575</i>

11 Tangible fixed assets (continued)

Trust	Fixtures Fittings and Equipment £	Freehold Land and Buildings £	Total £
Cost or valuation			
1st August 2021	35,359	5,057,500	5,092,859
Additions	250	-	250
Disposals	-	(130,000)	(130,000)
Revaluations	-	(85,147)	(85,147)
31st July 2022	35,609	4,842,353	4,877,962
Depreciation			
1st August 2021	33,765	-	33,765
Charge for year	349	-	349
Disposals	-	-	-
Revaluations	-	-	-
31st July 2022	34,114	-	34,114
Impairment			
1st August 2021	-	-	-
Charge for year	-	-	-
Disposals	-	-	-
31st July 2022	-	-	-
Net book values			
31st July 2022	1,495	4,842,353	4,843,848
<i>31st July 2021</i>	<i>1,594</i>	<i>5,057,500</i>	<i>5,059,094</i>

11 Tangible fixed assets (continued)

The Trust's freehold land and buildings were revalued at £4,842,353 on 31 July 2022 by the directors. The basis of valuation used was market value. The directors considered that this figure was an accurate valuation of the properties as at 31 July 2022. As a result there was a deficit on revaluation for the year ended 31 July 2022 of £85,147 (2021: Surplus of £120,000).

It should be noted that the valuation above is based on the Trust's properties being marketed in an orderly way, which the directors believe presents a true and fair view. Should the properties be sold to one individual as a single lot the valuation would be lower.

An impairment review was carried out on fixed assets at the year end and it was concluded that there was no impairment.

Tangible fixed assets included at a valuation would have been included on a historical cost basis at:

	Consolidated and School	
	2022	2021
	£	£
Cost	2,297,195	2,426,890
Depreciation	(517,782)	(481,468)
Net book value	1,779,413	1,945,422

The figures stated above for cost or valuation include valuations as follows:

	Consolidated		School	
	2022	2021	2022	2021
	£	£	£	£
At cost	-	-	-	-
At valuation	4,842,353	5,057,500	4,842,353	5,057,500
	4,842,353	5,057,500	4,842,353	5,057,500

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

12 Fixed asset investments	2022 £	2021 £
Consolidated market value as above		-
Share of net assets in joint ventures - valued on equity method		
Investment in St Bees School Management Company Ltd - 25% of net assets.	-	-
Group undertakings - valued at fair value		
Investment in St Bees Enterprises Ltd - Ordinary £1 shares	2	2
Total for Trust	2	2
<u>Less: Eliminated on consolidation</u>	(2)	(2)
Total for Group	-	-

Investment in St Bees School Management Company Limited:

In June 2017 a joint venture company, St Bees School Management Company Limited (company number 10812320), was established. This company has taken on the responsibility for re-opening the School and all its operational activity and its support activities. The joint venture is a limited company registered in England and Wales which is wholly owned by Full Circle Education Group and St Bees School Trust.

Until 31 May 2019 the Trust was responsible for 25% of the investment in the joint venture company, with Full Circle being responsible for 75%. Thereafter Full Circle assumed full responsibility for the operation of St Bees School Management Company Limited.

Investment in St Bees Enterprises Ltd:

The Trust owns 100% of the ordinary shares in St Bees Enterprises Limited, which initially took over the trading aspects of the charity's activities, including the running of the Business Management Centre and the Golf Course, from 1st September, 1997. After the closure of the School on 3 July 2015, the subsidiary took over the running of additional activities, including sports facility lettings, Springfest and Summerfest. From 1 September 2017 all activities, save for the running of the Business Management Centre, were taken over by St Bees School Management Company Limited, the Trust's joint venture company. St Bees Enterprises Ltd, which was incorporated on 20th August 1997, covenants its taxable profits to the Trust. The company registration number is 0342277.

12 Fixed asset investments (continued)**Investment in St Bees Enterprises Ltd (continued):**

The trading results of St Bees Enterprises Limited, extracted from its audited accounts were:-

	2022 £	2021 £
Turnover	107,325	46,915
Cost of sales	(15,759)	(4,968)
Gross profit	91,566	41,947
Administration	(73,793)	(59,954)
Other operating income	2,992	37,545
Operating (loss)/profit for the year:	20,765	19,538
Interest received	-	-
Interest payable	(588)	(666)
Net (loss)/profit before taxation	20,177	18,872
Taxation	-	-
Net (loss)/profit after taxation	20,177	18,872
Covenant - gross	(16,296)	(19,394)
Retained (loss)/profit	3,881	(522)
The assets and liabilities of St Bees Enterprises Ltd were:		
	2022 £	2021 £
Tangible fixed assets	20,478	18,482
Current assets	55,389	56,775
	75,867	75,257
Creditors: amounts falling due within one year	(32,433)	(30,479)
Creditors: amounts falling due after one year	(15,533)	(20,758)
	27,901	24,020
Represented by:		
Share capital	2	2
Profit and loss account	27,899	24,018
	27,901	24,020

There were no amounts invoiced by the Trust or the subsidiary company to the other party for goods and services provided in either the current or prior year.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

13 Stocks

	Consolidated and Trust	
	2022	2021
	£	£
Heating oil	200	200
	200	200

14 Debtors

	Consolidated		Trust	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	27,531	27,280	6,523	13,625
Loan to joint venture company	35,652	106,952	35,652	106,952
Covenanted profits				
due from trading company	-	-	16,296	19,394
Other debtors	2,923	2,138	1,203	1,565
Prepayments and accrued income	16,362	12,415	16,362	10,012
	82,468	148,785	76,036	151,548

The purpose of the loan to the joint venture company is to provide school equipment and stock. There are no formal repayment terms, and the loan is unsecured and interest-free. The Trust withdrew as a joint venturer on 31 May 2019 however the loan remains in place.

15 Creditors	Consolidated		Trust	
Amounts falling due within one year	2022 £	2021 £	2022 £	2021 £
Bank loan	5,225	5,096	-	-
Trade creditors	17,612	11,109	14,872	8,975
Other taxation and social security	5,751	1,636	-	-
Other creditors	176	-	-	-
Accruals and deferred income	64,870	77,216	62,623	74,997
Loan - St Bees Enterprises Ltd	-	-	19,388	23,682
Loans - Full Circle Education Group (unsecured) - see below	427,026	577,026	427,026	577,026
Loans - Old St Beghians Guarantee Trust Fund (unsecured) - see below	179,274	179,024	179,274	179,024
Lease liability - Old St Beghians Guarantee Trust Fund (unsecured) - see note 17	1,600,000	1,600,000	1,600,000	1,600,000
	2,299,934	2,451,107	2,303,183	2,463,704

Loans - Full Circle Education Group

Full Circle Education Group is the Trust's co-venturer in St Bees School Management Company Limited, the joint venture company responsible for re-establishing the School. The loans from Full Circle were to assist with the Trust's financial commitments to invest in the joint venture. The loans are unsecured and interest is charged at a commercial rate as detailed in note 6 to the accounts.

Loans - Old St Beghian Guarantee Trust Fund

The Old St Beghian Guarantee Trust Fund (OSBGTF) is part of the alumni organisation for the School. OSBGTF owns a number of properties used by St Bees School for which a rental charge is made. Funds have also been loaned to St Bees School, unsecured and interest free. There is no formal loan agreement in place. Following the announcement in March 2015 that the School would close at the end of Summer Term 2015 the loan was reclassified as falling due within one year and has been reflected as such in the accounts from the 31 July 2014 onwards. The Trust has received a letter of comfort from the OSBGTF stating that it is not, currently, their intention to demand repayment of all or any part of the loan.

Lease liability - Old St Beghian Guarantee Trust Fund

The lease liability at 31 July 2022 and 31 July 2021 consisted of £1,600,000 in respect of the lease of Lonsdale Terrace and land at Wood Lane from the Old St Beghians Guarantee Trust Fund. Provision has been made for rent relating to both arrears and the unexpired term of the lease, together with a liability in respect of re-instatement works in connection with the terms of the lease, having given due consideration to professional dilapidation survey reports and the subsequent deterioration of the properties. In view of ongoing negotiations with the Old St Beghians Guarantee Trust Fund during year ended 31 July 2021, the directors considered it prudent to reclassify the indebtedness as a current liability at the balance sheet date. The directors consider a liability of £1,600,000 as being appropriate, consisting of £408,250 in respect of unpaid rental, £1,100,000 in respect of dilapidations and capital re-instatement, and £91,750 in respect of consequential costs. This resulted in an exceptional cost of £101,333 in the year ended 31 July 2021 (see note 8).

Bank loan

The bank loan consists of a Bounce Back loan taken out by St Bees Enterprises Limited in May 2020.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

16 Creditors	Consolidated		School	
Amounts falling due after more than one year	2022 £	2021 £	2022 £	2021 £
Bank loan	15,533	20,758	-	-
	<u>15,533</u>	<u>20,758</u>	<u>-</u>	<u>-</u>
Bank loan		2022 £		2021 £
This is repayable as follows:				
In the next year - see note 15		5,225		5,096
In the second to fifth years		15,533		20,758
After five years		-		-
		<u>20,758</u>		<u>25,854</u>

Bank loan

The bank loan consists of a Bounce Back loan taken out by St Bees Enterprises Limited in May 2020.

17 Commitments

(a) At 31 July 2022 the Group and Trust had no operating lease commitments (2021: £nil).

(b) At 31 July 2022 the Group and Trust had no capital commitments (2021: £nil).

(c) At 31 July 2022 the Group and Trust had financial commitments of £nil (2021: £nil).

18 Going concern

St Bees School ceased to be operated by the charity on its closure at the end of the Summer Term 2015. Full details regarding the effect on going concern are given in note 1.1 to the accounts.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

19 Taxation

The Trust is a registered charity and is exempt from corporation tax under the provision of Section 478 of the Corporation Tax Act 2010.

St Bees Enterprises Limited is a trading subsidiary of the Trust and is liable to corporation tax on its taxable profits at the applicable rate.

20 Related party transactions

At 31 July 2022 the charity owed loans of £179,274 (2021: £179,024) to the Old St Beghian Guarantee Trust Fund, which is closely connected to the St Beghian Society, the alumni organisation for the School. Mr R Calvin, the spouse of Mrs S Calvin, a director of St Bees School, is a trustee of the Old St Beghian Guarantee Trust Fund. Further details regarding the loans are included in note 15 to the accounts.

At 31 July 2022 the charity owed £1,600,000 (2021: £1,600,000) to the Old St Beghian Guarantee Trust Fund. Further details regarding this liability are included in note 15 to the accounts.

At 31 July 2022 the charity owed loans of £427,026 (2021: £577,026) to Full Circle Education Group, the Trust's co-venturer in St Bees School Management Company Limited. Additionally, accrued interest of £56,707 (2021: £67,626) was outstanding on these loans at the balance sheet date. Further details regarding the loans are included in note 15 to the accounts.

During the year the Trust invoiced its joint venture company, St Bees School Management Company Limited, for goods and services provided amounting to £nil (2021: £10,852). These items are offset within administration expenses.

During the year St Bees School Management Company Limited invoiced the Trust for goods and services provided amounting to £35,888 (2021: £4,584). These items are included within administration expenses.

Under a deed of covenant dated 25 August 1998 the subsidiary company, St Bees Enterprises Limited, has covenanted to pay the parent charity, St Bees School, an annual sum not exceeding its taxable profits for the accounting year. For the year ended 31 July 2022 this amounted to £16,296 (2021: £19,394).

During the year St Bees Enterprises Limited invoiced St Bees School Management Company Limited for goods and services provided amounting to £160 (2021: £120). These items are included within income.

During the year St Bees School Management Company Limited invoiced St Bees Enterprises Limited for goods and services provided amounting to £38 (2021: £nil). These items are included within administration expenses.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

21 Allocation of the group net assets

Fund balances at 31 July 2022 as represented by:

	Fixed Assets	Current Assets	Current Liabilities	Provisions/ Long term Liabilities	Total
	£	£	£	£	£
Endowment funds	1,433,312	2,563	-	-	1,435,875
Restricted funds	-	-	-	-	-
Unrestricted funds	3,431,013	114,766	(2,299,934)	(15,533)	1,230,312
Total for group	4,864,325	117,329	(2,299,934)	(15,533)	2,666,187

Allocation of the group net assets - previous year

Fund balances at 31 July 2021 as represented by:

	Fixed Assets	Current Assets	Current Liabilities	Provisions/ Long term Liabilities	Total
	£	£	£	£	£
Endowment funds	1,416,144	427	-	-	1,416,571
Restricted funds	-	-	-	-	-
Unrestricted funds	3,661,431	182,190	(2,451,107)	(20,758)	1,371,756
Total for group	5,077,575	182,617	(2,451,107)	(20,758)	2,788,327

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

22 Analysis of movements in endowment funds

	Balance 1 August 2021 £	Incoming Resources £	Resources Expended £	Transfers and Investment Gains/ (Losses) £	Balance 31 July 2022 £
<i>Permanent Funds:</i>					
Capital	1,000	-	-	-	1,000
Royalties	721,571	19,304	-	-	740,875
Capital replacement fund	694,000	-	-	-	694,000
Group and Trust	1,416,571	19,304	-	-	1,435,875

Analysis of movements in endowment funds - previous year

	Balance 1 August 2020 £	Incoming Resources £	Resources Expended £	Transfers and Investment Gains/ (Losses) £	Balance 31 July 2021 £
<i>Permanent Funds:</i>					
Capital	1,000	-	-	-	1,000
Royalties	695,891	25,680	-	-	721,571
Capital replacement fund	694,000	-	-	-	694,000
Group and Trust	1,390,891	25,680	-	-	1,416,571

The capital fund represents a nominal amount relating to the original endowment of the School land and buildings.

The royalties fund has been created to provide for the loss of the permanent endowment on Birkham's Quarry, a sandstone quarry which was part of the original asset base of the Trust. As the sandstone is quarried, the asset is eroded and the royalties received replace the diminution in value of the asset. The income from royalties arises from land held on permanent endowment and is subsequently utilised on improvements to the Trust's land and buildings. The credit balance on the royalties fund is thus not represented by cash but by tangible fixed assets.

The direction by an order of the Charity Commission dated 10 July 2015 approved the expenditure of a total of £694,000 of endowment funds to expedite the winding down of the School's affairs following closure on 3 July 2015, under the power given in section 105 of the Charities Act 2011.

This expenditure is subject to the creation of a Capital replacement fund by appropriating expendable property to the value of £694,000 as permanent endowment in the records of the charity.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

23 Analysis of movements in unrestricted funds

	Balance 1 August 2021	Incoming Resources	Resources Expended	Transfers and Gains/ (Losses)	Balance 31 July 2022
	£	£	£	£	£
Designated:					
Extraordinary repair fund	29,000	-	-	1,000	30,000
Property revaluation reserve	2,816,471	-	-	(215,147)	2,601,324
Capital fund	883,563	-	-	-	883,563
Trust general fund	(2,381,504)	54,038	(130,509)	145,296	(2,312,679)
Sub-total - Trust	1,347,530	54,038	(130,509)	(68,851)	1,202,208
Reserves - St Bees Enterprises Limited	24,226	110,318	(90,144)	(16,296)	28,104
Consolidated funds	1,371,756	164,356	(220,653)	(85,147)	1,230,312

Analysis of movements in unrestricted funds - previous year

	Balance 1 August 2020	Incoming Resources	Resources Expended	Transfers and Gains/ (Losses)	Balance 31 July 2021
	£	£	£	£	£
Designated:					
Extraordinary repair fund	28,000	-	-	1,000	29,000
Property revaluation reserve	2,696,471	-	-	120,000	2,816,471
Capital fund	883,563	-	-	-	883,563
Trust general fund	(2,236,987)	53,297	(216,208)	18,394	(2,381,504)
Sub-total - Trust	1,371,047	53,297	(216,208)	139,394	1,347,530
Reserves - St Bees Enterprises Limited	24,749	84,459	(65,588)	(19,394)	24,226
Consolidated funds	1,395,796	137,756	(281,796)	120,000	1,371,756

The Charity Commission have directed that a yearly sum of not less than £1,000 shall be invested for the purpose of providing for the extraordinary repair, improvement or rebuilding of property belonging to the Trust.

The property revaluation reserve represents the surplus on revaluation of the charity's properties. The charity's properties were revalued during the year ended 31 July 2022 with a decrease of £85,147 (2021: increase of £120,000). In addition, disposal of property during the year resulted in a transfer of £130,000 from the revaluation reserve to unrestricted general funds.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

23 Analysis of movements in unrestricted funds (continued)

The capital fund represents amounts invested in land and buildings, which were previously funded by loans from The Friends of St Bees School General Charitable Trust. The Friends converted all loans into a donation on 31 July 2017, £883,563 of which pertained to capital fund investment. Depreciation on the charity's property is charged to this fund. The capital fund is represented entirely by land and buildings.

The Trust's general fund is retained to provide working capital and may be used for the charity's general purposes. The Trust's general fund showed a deficit of £2,312,679 at 31 July 2022 (2021: Deficit of £2,381,504).

The Trustees are taking steps to reduce the deficit on general funds in line with best practice.

24 Gross cash flows

	Group 2022 £	<i>Group 2021 £</i>
Reconciliation of net movement in funds to net cash inflow/(outflow) from operating activities		
Net movement in funds	(122,140)	<i>1,640</i>
Endowment donations	(19,304)	<i>(25,680)</i>
Depreciation	4,637	<i>3,530</i>
(Profit)/loss on sale of fixed assets	305	<i>-</i>
(Gains)/losses on investments	-	<i>-</i>
(Gains)/losses on revaluations	85,147	<i>(120,000)</i>
(Increase)/decrease in debtors	66,317	<i>84,721</i>
Increase/(decrease) in creditors	(1,552)	<i>1,534,074</i>
Increase/(decrease) in provisions	-	<i>(1,498,667)</i>
Net cash (used in)/provided by group operating activities	13,410	<i>(20,382)</i>

Accounts

ST BEES SCHOOL
(A company limited by guarantee)



DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

Registered charity number: 1129534

Registered company number: 06595861

robinson+co

CHARTERED ACCOUNTANTS

ST BEES SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

CONTENTS

	Page
Company Information	1 - 2
Directors' Report	3 - 10
Independent Auditor's Report	11 - 13
Consolidated Statement of Financial Activities	14
Group and Company Balance Sheets	15
Consolidated Cash Flow Statement	16
Notes	17 - 38

ST BEES SCHOOL

COMPANY INFORMATION

FOR THE YEAR ENDED 31 JULY 2021

Charity number: 1129534

Company number: 06595861

Directors:

The directors of the company are also Governors of the School and trustees for the purposes of Charity law.

Mrs S J Calvin

Mr M D George (Chairman)

Mr T Kelly

Mr R F Lacey

Mr P G Lever

Mr A D Lord

Mr M N Roberts

Dr A M Simper

Officers:

Company Secretary:

Mr T Kelly

The Clerk to the Governors:

Mr T Kelly

The organisational management is carried out by the trustees themselves, whilst the day to day operations are undertaken by a small team of staff being supported by nominated local trustees.

ST BEES SCHOOL**COMPANY INFORMATION**

(continued)

FOR THE YEAR ENDED 31 JULY 2021

**Principal Address and
Registered Office:**

Wood Lane
St Bees School
ST BEES
CA27 0DS

Advisers**Bankers:**

NatWest Bank plc
71 Lowther Street
WHITEHAVEN
CA28 7AG

Solicitors:

Nabarro LLP
1 The Avenue
Spinningfields
MANCHESTER
M3 3AP

Auditors:

robinson+co
Chartered Accountants
72 Lowther Street
WHITEHAVEN
CA28 7AH

Insurance Brokers:

Marsh Limited
Capital House
1-5 Perrymount Road
Haywards Heath
West Sussex
RH16 3SY

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2021

The Directors of St Bees School Trust present their annual report for the year ended 31 July 2021, together with the audited accounts for the year, and confirm that they comply with the requirements of the Companies Act 2006 and the Charities Act 2011.

RE-OPENING OF THE SCHOOL

Since reopening in September 2018 the School Trust and Full Circle Education Group have established a strong relationship and understanding, working in tandem to bring St Bees School back to life. The initial operating structure of a Joint Venture Company was superseded by an operating agreement in 2019 when Full circle took full control of the School operation and education leaving the Trust to focus on the management of its Estate and commercial business interests. This decision was deemed to be in the best interest of the school's future development.

REFERENCE AND ADMINISTRATIVE INFORMATION

St Bees School was founded in 1583. The charitable company was formed on 19 May 2008 and is registered with the Charity Commission as charity number 1129534. The words 'Charity', 'Company', 'Charitable Company', 'Charitable Trust', 'Trust' and 'School' are used interchangeably to refer to St Bees School. The Trustees are listed on page 1. The registered office address of the Charity and the particulars of the Charity's advisers are given on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Whilst the School was founded in 1583, the charitable company is governed by its Memorandum and Articles of Association as adopted on 19 May 2008 and altered by Special Resolutions dated 1 August 2009 and 15 January 2016.

Governing Body

The directors of the Company are also trustees for the purposes of Charity law.

Composition of Governing Body post 15 January 2016

The number of Governors shall be not less than 6 and not more than 12 competent persons, being any of 4 Governors appointed by the Old St Beghians' Club as set out in article 8.2, 4 being appointed from the local community as set out in article 8.3 and not more than 4 co-opted Governors appointed by the Board of Governors.

Recruitment and Training of Trustees

Attention is paid to ensure that the Board of Trustees maintains a balance of skills and diversity in order to function effectively.

Organisational Management

The organisational management of the Trust is carried out by the Trustees themselves, whilst day to day commercial activities are undertaken by a small administrative team based at the Trust's Business Management Centre.

The Trustees comprise the key management personnel of the organisation. All trustees give of their time freely and no trustee remuneration was paid in the year.

Group Structure and Relationships

In May 2019 Full Circle Education Group assumed full responsibility for the operation of the St Bees School Management Company Limited. The Management Company being responsible for the majority of the onsite facilities. Full Circle operate the School under an Agreement with the Charitable Trust. The Agreement is retractable by the charity if the agreed educational and operational objectives are not achieved. Annual review procedures are in place to enable the Charity to monitor the performance of Full Circle in the role of school operator.

The Charity has a wholly owned subsidiary, St Bees School Enterprises Limited (company number 03422777) which was incorporated in August 1997. This is the commercial arm of the School and manages the Whitelaw Management Centre.

The Directors of the St Bees Enterprises Limited have continued to operate the Business Management Centre profitably during 2020/21 despite revenues again being significantly affected by the COVID-19 pandemic.

St Bees School acts as trustee of two linked charities, St Bees School Trust and Bursary Fund. Although part of the School's permanent endowments are held by the company in trust for the charities, following the Charity Commission's order dated 10 July 2015 these endowments have been spent and replaced by appropriating expendable property as permanent endowment in their place.

The Old St Beghian Guarantee Trust Fund is closely linked with the St Beghian Society, the alumni organisation for the School, and provides financial support to the Charitable Trust. The financial assistance provided via the Old St Beghian Guarantee Trust Fund includes amounts loaned to the School in the sum of £179,024 as at 31 July 2021 (2020: £179,024). The management of the society is vested in a Committee of Alumni.

Risk management

The Directors examine the major risks that the Charity faces on an ongoing basis to control and mitigate potential impacts.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Objects

The objects of the charity are to advance the education of boys and girls by the provision of a day and/or boarding school in or near St Bees or elsewhere in Cumbria and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

Strategies to Achieve the Objectives

Mission statement

The School was founded in 1583 by the then Archbishop of Canterbury, Edmund Grindal. The trustees' goal is to return an educational institution onto the St Bees campus in alignment with Edmund Grindal's principles. Our Mission is:

To re-establish St Bees School as a vibrant and sustainable centre for the outstanding education and all-round development of young people in accordance with Archbishop Grindal's legacy'.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Strategies to Achieve the Objectives (continued)

Objectives

- To have effective and transparent trusteeship;
- To maintain the existing assets and infrastructure in good order;
- To identify the most appropriate operating model for St Bees School; and
- To secure the necessary investment and support to develop the existing assets and infrastructure to support the identified model.

Progress

The financial year 2020/21 saw many challenges. The global pandemic impacted on the running of the school and the marketing task of building pupil numbers. The viability of the school rests in increasing pupil numbers. A minimum 150 pupils offering a sustainable operational level.

The sooner this number is achieved the more secure the future of the school will become.

Full Circle remained committed to the school development investing in both teaching and infrastructure projects despite financial pressure on the international educational markets caused by the pandemic.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities, and how these planned activities will contribute to the aims and objectives they have set. In particular, the trustees have given careful consideration to the supplementary public benefit guidance on advancing education and on fee-charging.

STRATEGIC REPORT

The Strategic Report, as required by the Companies Act 2006, is included within this Directors' Report and comprises the sections on Policies through to Future Plans.

Policies

As part of the School reopening the following policies will be developed:-

- Access policy
- Bursary Policy
- Scholarship policy
- Project support policy

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

Trust Commercial Activity

The Business Management Centre saw a significant reduction in income flows in the year as a direct consequence of the pandemic. Available government financial assistance provided much needed support.

The Trust continued to investigate commercial development options to support the school but mindful of the impact that these decisions might have on the locality.

The challenge is significant with the principle projects requiring planning consents which have proved hard to secure in the short term.

Negotiations with West Cumberland Mining have continued with regard to mining rights, owned by the Trust, however a government enquiry has now delayed progress.

Partnership with Full Circle

The Trust's partnership with Full Circle remained strong despite the commercial headwinds. Full Circle remain committed to developing their international educational offering which is to the advantage of St Bees School and the Trust.

Looking forward

The Trust continue to carefully balance their commercial strategies investing financial resources to enhance and broaden the educational offering of the school, ensuring at the same time that the style and ethos of the school are retained but complementary to current private school standards and parent expectations.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

As explained in note 1.1 to the accounts, the Directors believe that, whilst there are material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue to adopt the going concern basis of accounting in the future, the going concern presumption is nevertheless valid and they have not departed from this basis.

Although the School has been re-opened from September 2018, the material uncertainties relate to the viability, both financial and non-financial, of the re-establishing of the School on the St Bees campus.

The basis of preparation continues to include, where appropriate, the writing down of the company's assets to net realisable value. Provision has also been made for any onerous contractual commitments at the balance sheet date. The financial statements do not include any provision for the future costs of terminating any part of the business of the company except to the extent that such were committed at the balance sheet date.

The net consolidated income for the year amounted to £163,436 (2020: £191,476). Income decreased by 15% from last year. Total consolidated expenditure, excluding exceptional items, decreased by 1% from last year.

The Trust reported an operating deficit, excluding exceptional items, property depreciation, and covenant from subsidiary, on the General Fund of £61,578 for the year ended 31 July 2021, against an operating deficit of £43,522 for the year ended 31 July 2020. Profits of £19,394 (2020: £22,614) were transferred from the subsidiary company, St Bees Enterprises Limited, via deed of covenant.

During the year the Trust recognised donations amounting to £6,513 (2020: £7,425).

The Trust's freehold land and buildings were revalued at £5,057,500 on 31 July 2021 by the directors. The basis of valuation used was market value. The directors considered that this figure was an accurate valuation of the properties as at 31 July 2021. As a result there was a surplus on revaluation for the year ended 31 July 2021 of £120,000 (2020: deficit of £168,500).

At 31 July 2020 provision in the sum of £1,498,667 had been made for the onerous contractual commitment for rent relating to both arrears and the unexpired term of the lease with the Old St Beghians Guarantee Trust Fund, together with a liability in respect of re-instatement works in connection with the terms of the lease, having given due consideration to professional dilapidation survey reports and the subsequent deterioration of the properties.

In view of ongoing negotiations with the Old St Beghians Guarantee Trust Fund during year ended 31 July 2021, the directors considered it prudent to reclassify the indebtedness as a current liability at the balance sheet date. The directors consider a liability of £1,600,000 as being appropriate, consisting of £408,250 in respect of unpaid rental, £1,100,000 in respect of dilapidations and capital re-instatement, and £91,750 in respect of consequential costs. This resulted in an exceptional cost of £101,333 in the year (see note 8).

The trading subsidiary ran the Business Management Centre throughout the year, albeit with the COVID-19 pandemic again having an adverse effect.

The profit for St Bees Enterprises Limited for the year ended 31 July 2021 was £18,872 (2020: profit of £32,977), prior to calculation of profits to be covenanted to the Trust of £19,394 (2020: £22,614).

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

The net movement in funds, as shown by the consolidated statement of financial activities, for the year ended 31 July 2020 was a surplus of £1,640 after allowing for a gain on revaluation of fixed assets of £120,000 and exceptional costs of £101,333 (2020: Deficit of £235,745 after allowing for a loss on revaluation of fixed assets of £168,500 and net exceptional costs of £76,762).

Reserves

Note 22 to the accounts shows the assets and liabilities attributable to the various funds by type. Notes 23 and 24 describe the various funds of the Charity and summarise the year's movements on each fund. Group unrestricted funds amounted to £1,371,756 (2020: £1,395,796) however there were no free reserves available in either year.

The School's general fund showed a deficit of £2,381,504 after net exceptional costs of £76,762 (2020: Deficit of £2,236,987 after net exceptional costs of £76,762).

The Trust's unrestricted reserves are primarily invested in tangible fixed assets which are used for its direct charitable activities. Current policy following the closure of the School in 2015 is to preserve funds as far as possible whilst alternative future possibilities are explored. This includes the maintenance of the existing assets and infrastructure and generation of income needed to sustain the necessary transitional activities.

The Trustees are taking steps to reduce the deficit on general funds in line with best practice.

Investment Policy and Objectives

Investment powers are governed by the Memorandum and Articles of Association. Investment decisions are made by the trustees with the assistance of professional investment advisers. The investment portfolio is no longer active and therefore the investment advisers have ceased in making monthly reports to the trustees and holding meetings to discuss the investment policy and portfolio performance. Consequently no investment performance is reported in the year.

Previously, investments were held to create income and capital growth pending utilisation, whilst preserving the value of endowment funds.

PRINCIPAL RISKS AND UNCERTAINTIES

As stated on page 4, the trustees examine the major risks that the charity faces each financial year. These are summarised as follows:

Financial risks and uncertainties

These risks and uncertainties include potential increases in costs, major fire/disaster, cash flow and loss of charitable status.

Personnel risks and uncertainties

These include loss and recruitment of key personnel and compliance with employment legislation.

Administrative risks and uncertainties

This risk has been identified as security of data held on IT systems.

Safety risks and uncertainties

Risks and uncertainties arise from safeguarding of staff and the public and compliance with health and safety and fire regulations.

Governance risks and uncertainties

These include insuring potential liability claims and the impact of inadequate insurance, and discharging statutory responsibilities.

Other risks and uncertainties

The principal other risk is from a loss of reputation. Further risks include unauthorised site access and dilapidation to buildings and facilities.

The Charity has developed systems to monitor and control the above risks, where possible, to mitigate any impact that they may have on it in the future.

FUTURE PLANS

The Trust's main aim remains the development of the School facilities and enhancing the educational offering under the management of Full Circle. Ultimately success rests in increasing pupil numbers to a level at which the school is financially viable on a long term basis.

With pupil numbers projected to rise above 100 for the 22/23 academic year the project of reopening St Bees school which commenced in 2018 is gaining momentum.

DIRECTORS

The Directors who served during the year are set out on page 1.

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2021

STATEMENT OF DISCLOSURE TO AUDITOR

In so far as the Directors are aware:

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

ACCOUNTING AND REPORTING RESPONSIBILITIES

The Charities Act 2011 and the Companies Act 2006 require the directors of the charitable company and group to prepare financial statements for each financial year which give a true and fair view of its financial activities during the year and its financial position at the end of the year.

In preparing the financial statements the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards and the Charities SORP, disclosing and explaining any departures in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

The Directors are responsible for keeping proper accounting records which are such as to disclose, with reasonable accuracy, the financial position of the Company at any time, and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

In approving the Directors' Report the trustees are also approving the Strategic Report in their capacity as company directors.

Approved by the Board of Directors on 12 April 2022
and signed on its behalf by:



A D Lord
Director

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF ST BEES SCHOOL
FOR THE YEAR ENDED 31 JULY 2021**

Opinion

We have audited the group and parent charitable company financial statements (the 'financial statements') of St Bees School for the year ended 31 July 2021, which comprise the consolidated statement of financial activities (including income and expenditure account), the consolidated and charitable company balance sheets, consolidated cash flow statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. These financial statements have been prepared under the accounting policies set out therein. As described in note 1.1, they have been prepared on a going concern basis.

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 July 2021 and of their income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Emphasis of matter - material uncertainty relating to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1.1 to the financial statements concerning the company's ability to continue as a going concern. The conditions mentioned in note 1.1 indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include any adjustments that would result from a failure to continue as a going concern. Details of the circumstances relating to this emphasis of matter are described in note 1.1 to the financial statements. Our opinion is not qualified in this respect.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

OF ST BEES SCHOOL (continued)

FOR THE YEAR ENDED 31 JULY 2021

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Directors' responsibilities statement on page 10, the trustees (who are also the directors of St Bees School 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

OF ST BEES SCHOOL (continued)

FOR THE YEAR ENDED 31 JULY 2021

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. 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.



Jason Spires BSc FCA DChA (Senior Statutory Auditor)

For and on behalf of robinson+co.

Statutory Auditors and

Chartered Accountants

72 Lowther street

Whitehaven

CA28 7AH

Date: 12 April 2022

ST BEES SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021

	Notes	Unrestricted Trust £	Funds Other £	Restricted Funds £	Endowed Funds £	Total 2021 £	<i>Total 2020 £</i>
INCOME							
Donations and legacies							
Donations	3	6,513	-	-	-	6,513	7,425
Other trading activities							
Trading income	4	-	84,459	-	-	84,459	116,673
Rent receivable		46,078	-	-	-	46,078	45,818
Income from Investments							
Bank and other interest		-	-	-	-	-	208
Income from Charitable Activities							
Charitable activity income	5	706	-	-	25,680	26,386	21,352
Total income and endowments		53,297	84,459	-	25,680	163,436	191,476
EXPENDITURE							
Expenditure on Raising funds							
Trading expenditure		-	64,922	-	-	64,922	83,413
Interest	6	17,615	666	-	-	18,281	17,377
		17,615	65,588	-	-	83,203	100,790
Expenditure on Charitable activities							
Schools and grantmaking:							
Continuing activities	9	97,260	-	-	-	97,260	81,169
Exceptional items	8	101,333	-	-	-	101,333	76,762
		198,593	-	-	-	198,593	157,931
Total expenditure	7-9	216,208	65,588	-	-	281,796	258,721
Net income/(expenditure) before transfers							
		(162,911)	18,871	-	25,680	(118,360)	(67,245)
Transfers between funds	23-24	19,394	(19,394)	-	-	-	-
		(143,517)	(523)				
NET INCOME/(EXPENDITURE)		(144,040)		-	25,680	(118,360)	(67,245)
Gains/(losses) on revaluation of fixed assets							
	11	120,000		-	-	120,000	(168,500)
NET MOVEMENT IN FUNDS		(24,040)		-	25,680	1,640	(235,745)
Balances brought forward at 1 August 2020		1,395,796		-	1,390,891	2,786,687	3,022,432
FUND BALANCES at 31 July 2021		1,371,756		-	1,416,571	2,788,327	2,786,687

All amounts derive from continuing activities, unless otherwise stated.

All gains and losses recognised in the the year are included in the Statement of Financial Activities.

The notes on pages 17 to 38 form part of these accounts

ST BEES SCHOOL

BALANCE SHEET

AS AT 31 JULY 2021

	Notes	Consolidated		Trust	
		2021 £	2020 £	2021 £	2020 £
FIXED ASSETS					
School buildings and equipment	11	5,077,575	4,959,059	5,059,092	4,939,441
Investments	12	-	-	2	2
		<u>5,077,575</u>	<u>4,959,059</u>	<u>5,059,094</u>	<u>4,939,443</u>
CURRENT ASSETS					
Stocks	13	200	200	200	200
Debtors	14	148,785	233,506	151,548	237,787
Cash at bank and in hand		33,632	31,216	17,168	22,429
		<u>182,617</u>	<u>264,922</u>	<u>168,916</u>	<u>260,416</u>
CREDITORS: due within one year	15	<u>(2,451,107)</u>	<u>(912,773)</u>	<u>(2,463,704)</u>	<u>(939,048)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(2,268,490)</u>	<u>(647,851)</u>	<u>(2,294,788)</u>	<u>(678,632)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,809,085	4,311,208	2,764,306	4,260,811
CREDITORS: due after more than one year	16	(20,758)	(25,854)	-	-
PROVISIONS FOR LIABILITIES	17	-	(1,498,667)	-	(1,498,667)
TOTAL NET ASSETS		<u>2,788,327</u>	<u>2,786,687</u>	<u>2,764,306</u>	<u>2,762,144</u>
ENDOWED FUNDS	23	1,416,571	1,390,891	1,416,571	1,390,891
RESTRICTED FUNDS		-	-	-	-
UNRESTRICTED FUNDS					
Unrestricted income funds		(1,444,715)	(1,300,675)	(1,468,736)	(1,325,218)
Revaluation reserve		2,816,471	2,696,471	2,816,471	2,696,471
	24	<u>1,371,756</u>	<u>1,395,796</u>	<u>1,347,735</u>	<u>1,371,253</u>
TOTAL FUNDS		<u>2,788,327</u>	<u>2,786,687</u>	<u>2,764,306</u>	<u>2,762,144</u>

The financial statements on pages 14 - 38 were approved by the Directors on 12 April 2022 and signed on their behalf by:



A D Lord
Director

Registered number 06595861
England and Wales

The notes on pages 17 to 38 form part of these accounts.

ST BEES SCHOOL

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £	2020 £
Cash (used in)/provided by operating activities	25	(20,382)	(45,821)
Cash flows from investing activities			
Dividends and interest from investments		-	208
Purchase of property, plant and equipment		(2,045)	-
Purchase of investments		-	-
Cash (used in)/provided by investing activities		(2,045)	208
Cash flows from financing activities			
Increase in borrowing		-	26,691
Repayment of borrowing		(837)	(1,206)
Receipt of endowment		25,680	20,062
Cash provided by/(used in) financing activities		24,843	45,547
Increase/(decrease) in cash and cash equivalents in the year		2,416	(66)
Cash and cash equivalents at the beginning of the year		31,216	31,282
Cash and cash equivalents at the end of the year		33,632	31,216

The notes on pages 17 to 38 form part of these accounts.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are summarised below.

1.1 Basis of accounting

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The Directors believe that, whilst there are material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue to adopt the going concern basis of accounting in the future, the going concern presumption is nevertheless valid and they have not departed from this basis.

Although the School has been re-opened from September 2018, the material uncertainties relate to the viability, both financial and non-financial, of the re-establishing of the School on the St Bees campus.

The basis of preparation continues to include, where appropriate, the writing down of the company's assets to net realisable value. Provision has also been made for any onerous contractual commitments at the balance sheet date. The financial statements do not include any provision for the future costs of terminating any part of the business of the company except to the extent that such were committed at the balance sheet date.

The charity's presentational currency is UK sterling, rounded to the nearest £1.

The charity constitutes a public benefit entity as defined by FRS 102.

1.2 Group accounts

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary, St Bees Enterprises Limited, on a line by line basis. A separate statement of financial activities for the charitable company itself is not presented because it has taken advantage of the exemptions afforded by paragraph 408 of the Companies Act 2006.

1.3 Donations and fund accounting

Donations receivable for the general purposes of the Charity are credited to unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds where these wishes are legally binding on the trustees, except that donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments - permanent or expendable according to the nature of the restriction.

1 Accounting policies (continued)

1.4 Income

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

Amounts receivable for services and use of premises are accounted for in the period in which the service is provided.

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Income from investments is included in the year in which it is receivable.

1.5 Expenditure

Expenditure is accounted for on an accruals basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the period, either by reference to staff time or space occupied, as appropriate. Expenditure is stated inclusive of irrecoverable or non-attributable VAT, with any partially recoverable element being credited to the Statement of Financial Activities separately.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Expenditure on charitable activities comprises those costs incurred in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the trustees, and all the costs of complying with constitutional and statutory requirements, such as the cost of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability. These costs are included in support costs within expenditure on charitable activities.

1.6 Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

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

1 Accounting policies (continued)

1.7 Pension schemes

Contributions are made in respect of defined contribution pension schemes of certain employees.

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

1.8 Tangible fixed assets and depreciation

The School's freehold land and buildings are included in the accounts at valuation.

Freehold land is not depreciated. Freehold buildings are depreciated at 2% on a reducing balance basis. As the School's properties were revalued as at 31 July 2020, no depreciation has been provided for on these during the year.

Short leasehold buildings improvements are depreciated on a straight line basis over the remaining period of the lease.

Assets costing less than £2,000 are not capitalised.

Other fixed assets are included at cost and depreciation is calculated to write off their cost or valuation less any residual value on a straight line basis over their estimated useful lives as follows:

Computer Equipment	- over 3 years
Other Equipment	- over 10 years

An impairment review was carried out on fixed assets and where it was considered that their carrying amount exceeded the higher of their recoverable amount or value in use the assets were written down as necessary.

1.9 Investments

Fixed asset investments are included in the accounts at the mid-market value of each investment as at the balance sheet date. A note is also shown of the cost of each investment at that date. Gains and losses on disposal or revaluation of investments are charged or credited to the SOFA.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost. The carrying amount is then adjusted for the post-acquisition change in the Trust's share of net assets in the joint venture entity. The carrying amount of the investment in the joint venture is subsequently adjusted through the SOFA to reflect the Trust's share of the its results.

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.11 Financial instruments

The company only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at amortised cost.

1 Accounting policies (continued)

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

2 Statutory information

St Bees School is a private company, limited by guarantee, domiciled in England and Wales, registration number 06595861. The registered office is Wood Lane, St Bees School, St Bees, Cumbria, CA27 0DS. The company is a registered charity, number 1129534.

3 Donations

During the year the Trust received donations amounting to £6,513 (2020: £7,425). All of these donations, for both years, are attributable to unrestricted income funds.

4	Trading income	Consolidated		Trust	
		2021	2020	2021	2020
		£	£	£	£
	Business Management Centre fees	46,915	99,936	-	-
	Sundry trading income	37,545	16,738	-	-
		<u>84,460</u>	<u>116,674</u>	<u>-</u>	<u>-</u>

All of the above income is attributable to unrestricted income funds.

The Trust's wholly-owned subsidiary, St Bees Enterprises Limited, initially took over the trading aspects of the charity's activities, including the running of the Business Management Centre and Golf Course, from 1 September 1997. After the closure of the School on 3 July 2015 the subsidiary took over the running of additional activities, including Springfest and Summerfest. From 1 September 2017 all activities, save for the running of the Business Management Centre, were taken over by St Bees School Management Company Limited, the Trust's joint venture company.

Sundry trading income pertains to other income received by the trading subsidiary. During the year ended 31 July 2021 St Bees Enterprises Limited received Government grants totalling £37,545 (2020: £16,738). This amount consists of grants in respect of the Coronavirus Job Retention Scheme of £28,503 (2020: £16,627), Local Authority grants of £8,486 (2020: £nil) and Bounce Back loan interest payable by the Government of £556 (2020: £111).

The trading results of St Bees Enterprises Limited, extracted from its audited accounts, are shown in note 14.

5	Charitable activity income	Consolidated and Trust	
		2021	2020
		£	£
	General funds		
	VAT reclaimed	705	954
	Sundry income	-	336
		<u>705</u>	<u>1,290</u>
	Endowment funds		
	Royalties received	25,680	20,062
		<u>26,385</u>	<u>21,352</u>

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

6 Interest payable	2021	2020
	£	£
Loan interest payable to Full Circle Education Limited	17,081	17,080
Other interest	534	-
Total for Charity	17,615	17,080
Loan interest payable by subsidiary to Trust	-	185
Bank loan interest payable by subsidiary	666	111
Other interest payable by subsidiary	-	1
Total for Group	18,281	17,377

All of the interest payable in year ended 31 July 2021 and year ended 31 July 2020 was attributable to unrestricted funds.

7 Expenditure	Consolidated		Trust	
	2021	2020	2021	2020
	£	£	£	£
Charitable Activity expenditure includes:				
Exceptional items (note 8)	101,333	76,762	101,333	76,762
Staff costs (note 10)	48,715	45,525	3,393	-
Depreciation of tangible fixed assets (note 11)				
owned assets	3,530	3,686	349	709
Auditors' remuneration:				
for audit services	3,265	3,350	2,500	2,500
for accountancy and other services	8,647	8,390	3,022	2,446

8 Exceptional expenditure items	2021	2020
	£	£
Impairment of tangible fixed assets (note 11)	-	(337)
Reassessment of rates	-	77,099
Other provisions for onerous contractual commitments (note 17)	101,333	-
Total for Trust and Group	101,333	76,762

A professional rates review was commenced during the year ended 31 July 2020 in conjunction with St Bees School Management Company Limited and was completed after the year end. Rates were reapportioned between the two companies and as a result an additional amount of £77,099 became payable by the Trust for the period to 31 July 2020. This amount is shown as an exceptional item above and has been reserved as a creditor at the balance sheet date.

9	Analysis of total resources expended	Staff costs	Other	Depreciation and impairment	Total 2021	Total 2020
		£	£	£	£	£
	Expenditure on Raising funds:					
	Interest	-	17,615	-	17,615	17,080
	Total for charity	-	17,615	-	17,615	17,080
	Trading costs of the subsidiary	45,322	16,419	3,181	64,922	83,413
	Interest costs of the subsidiary	-	666	-	666	185
	Total for group	45,322	34,700	3,181	83,203	100,678
	Expenditure on Charitable activities:					
	Continuing activities:					
	Establishment costs	3,393	80,451	-	83,844	64,710
	Administration	-	13,067	349	13,416	16,459
		3,393	93,518	349	97,260	81,169
	Share of net expenditure in Joint Venture	-	-	-	-	-
	Exceptional items	-	101,333	-	101,333	76,762
	Total for charity and group	3,393	194,851	349	198,593	157,931
	Total expenditure - Group	48,715	229,551	3,530	281,796	258,609
	Total expenditure - Charity	3,393	212,466	349	216,208	175,011

During the year ended 31 July 2021 the total group expenditure of £180,463 was entirely attributable to unrestricted funds. During the year ended 31 July 2020 the total group expenditure of £258,609 was entirely attributable to unrestricted funds.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

10 Staff costs	2021	2020
	£	£
Wages and salaries	47,921	45,001
Social security costs	-	-
Pension costs	794	524
	48,715	45,525
The average number of employees in the year was:	Number	Number
Domestic, maintenance and other staff	2	2
Administration	3	3
	5	5

The trustees are not remunerated, and no expenses were paid during the year (2020: Expenses totalling £459 were reimbursed to 2 trustees in respect of directly incurred costs).

There were no higher paid employees during the year (2020: None).

Defined contribution pension schemes

Pension contributions are made in respect of the defined contribution pension schemes of certain employees. The pension cost charge represents contributions payable by the group to the funds and amounted to £794 (2020: £555). Contributions amounting to £nil (2020: £nil) are included in creditors at the year end.

11 Tangible fixed assets

Consolidated	Fixtures Fittings and Equipment £	Freehold Land and Buildings £	Total £
Cost or valuation			
1st August 2020	97,492	4,937,500	5,034,992
Additions	2,045	-	2,045
Disposals	-	-	-
Revaluations	-	120,000	120,000
31st July 2021	99,537	5,057,500	5,157,037
Depreciation			
1st August 2020	75,932	-	75,932
Charge for year	3,530	-	3,530
Disposals	-	-	-
Revaluations	-	-	-
31st July 2021	79,462	-	79,462
Impairment			
1st August 2020	-	-	-
Charge for year	-	-	-
Disposals	-	-	-
31st July 2021	-	-	-
Net book values			
31st July 2021	20,075	5,057,500	5,077,575
<i>31st July 2020</i>	<i>21,560</i>	<i>4,937,500</i>	<i>4,959,060</i>

11 Tangible fixed assets (continued)

Trust	Fixtures Fittings and Equipment £	Freehold Land and Buildings £	Total £
Cost or valuation			
1st August 2020	35,359	4,937,500	4,972,859
Additions	-	-	-
Disposals	-	-	-
Revaluations	-	120,000	120,000
31st July 2021	35,359	5,057,500	5,092,859
Depreciation			
1st August 2020	33,416	-	33,416
Charge for year	349	-	349
Disposals	-	-	-
Revaluations	-	-	-
31st July 2021	33,765	-	33,765
Impairment			
1st August 2020	-	-	-
Charge for year	-	-	-
Disposals	-	-	-
31st July 2021	-	-	-
Net book values			
31st July 2021	1,594	5,057,500	5,059,094
<i>31st July 2020</i>	<i>1,943</i>	<i>4,937,500</i>	<i>4,939,443</i>

11 Tangible fixed assets (continued)

The Trust's freehold land and buildings were revalued at £5,057,500 on 31 July 2021 by the directors. The basis of valuation used was market value. The directors considered that this figure was an accurate valuation of the properties as at 31 July 2021. As a result there was a surplus on revaluation for the year ended 31 July 2021 of £120,000 (2020: Deficit of £168,500).

It should be noted that the valuation above is based on the Trust's properties being marketed in an orderly way, which the directors believe presents a true and fair view. Should the properties be sold to one individual as a single lot the valuation would be lower.

An impairment review was carried out on fixed assets at the year end and it was concluded that there was no impairment.

Tangible fixed assets included at a valuation would have been included on a historical cost basis at:

	Consolidated and School	
	2021	2020
	£	£
Cost	2,426,890	2,426,890
Depreciation	(481,468)	(441,765)
Net book value	1,945,422	1,985,125

The figures stated above for cost or valuation include valuations as follows:

	Consolidated		School	
	2021	2020	2021	2020
	£	£	£	£
At cost	-	-	-	-
At valuation	5,057,500	4,937,500	5,057,500	4,937,500
	5,057,500	4,937,500	5,057,500	4,937,500

12 Fixed asset investments	2021 £	2020 £
Consolidated market value as above		-
Share of net assets in joint ventures - valued on equity method		
Investment in St Bees School Management Company Ltd - 25% of net assets.	-	-
Group undertakings - valued at fair value		
Investment in St Bees Enterprises Ltd - Ordinary £1 shares	2	2
Total for Trust	2	2
<u>Less: Eliminated on consolidation</u>	(2)	(2)
Total for Group	-	-

Investment in St Bees School Management Company Limited:

In June 2017 a joint venture company, St Bees School Management Company Limited (company number 10812320), was established. This company has taken on the responsibility for re-opening the School and all its operational activity and its support activities. The joint venture is a limited company registered in England and Wales which is wholly owned by Full Circle Education Group and St Bees School Trust. Three directors from each parent company make up the Board of the new company, which is controlled jointly.

Until 31 May 2019 the Trust was responsible for 25% of the investment in the joint venture company, with Full Circle being responsible for 75%. Thereafter Full Circle assumed full responsibility for the operation of St Bees School Management Company Limited.

Investment in St Bees Enterprises Ltd:

The Trust owns 100% of the ordinary shares in St Bees Enterprises Limited, which initially took over the trading aspects of the charity's activities, including the running of the Business Management Centre and the Golf Course, from 1st September, 1997. After the closure of the School on 3 July 2015, the subsidiary took over the running of additional activities, including sports facility lettings, Springfest and Summerfest. From 1 September 2017 all activities, save for the running of the Business Management Centre, were taken over by St Bees School Management Company Limited, the Trust's joint venture company. St Bees Enterprises Ltd, which was incorporated on 20th August 1997, covenants its taxable profits to the Trust. The company registration number is 0342277.

12 Fixed asset investments (continued)**Investment in St Bees Enterprises Ltd (continued):**

The trading results of St Bees Enterprises Limited, extracted from its audited accounts were:-

	2021 £	2020 £
Turnover	46,915	99,936
Cost of sales	(4,968)	(20,665)
Gross profit	41,947	79,271
Administration	(59,954)	(62,749)
Other operating income	37,545	16,738
Operating (loss)/profit for the year:	19,538	33,260
Interest received	-	14
Interest payable	(666)	(297)
Net (loss)/profit before taxation	18,872	32,977
Taxation	-	-
Net (loss)/profit after taxation	18,872	32,977
Covenant - gross	(19,394)	(22,614)
Retained (loss)/profit	(522)	10,363
The assets and liabilities of St Bees Enterprises Ltd were:		
	2021 £	2020 £
Tangible fixed assets	18,482	19,618
Current assets	56,775	59,787
	75,257	79,405
Creditors: amounts falling due within one year	(30,479)	(29,009)
Creditors: amounts falling due after one year	(20,758)	(25,854)
	24,020	24,542
Represented by:		
Share capital	2	2
Profit and loss account	24,018	24,540
	24,020	24,542

There were no amounts invoiced by the Trust or the subsidiary company to the other party for goods and services provided in either the current or prior year.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

13 Stocks

	Consolidated and Trust	
	2021	2020
	£	£
Heating oil	200	200
	200	200

14 Debtors

	Consolidated		Trust	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	27,280	24,586	13,625	6,829
Loan to joint venture company	106,952	196,675	106,952	196,675
Covenanted profits				
due from trading company	-	-	19,394	22,614
Loan interest				
due from trading company	-	-	-	485
Other debtors	2,138	744	1,565	511
Prepayments and accrued income	12,415	11,501	10,012	10,673
	148,785	233,506	151,548	237,787

The purpose of the loan to the joint venture company is to provide school equipment and stock. There are no formal repayment terms, and the loan is unsecured and interest-free. The Trust withdrew as a joint venturer on 31 May 2019 however the loan remains in place.

15 Creditors	Consolidated		Trust	
	2021	2020	2021	2020
Amounts falling due within one year	£	£	£	£
Bank loan	5,096	837	-	-
Trade creditors	11,109	5,596	8,975	4,444
Other taxation and social security	1,636	292	-	-
Other creditors	-	77,099	-	77,099
Accruals and deferred income	77,216	72,899	74,997	69,271
Loan - St Bees Enterprises Ltd	-	-	23,682	32,184
Loans - Full Circle Education Group (unsecured) - see below	577,026	577,026	577,026	577,026
Loans - Old St Beghians Guarantee Trust Fund (unsecured) - see below	179,024	179,024	179,024	179,024
Lease liability - Old St Beghians Guarantee Trust Fund (unsecured) - see note 17	1,600,000	-	1,600,000	-
	2,451,107	912,773	2,463,704	939,048

Loans - Full Circle Education Group

Full Circle Education Group is the Trust's co-venturer in St Bees School Management Company Limited, the joint venture company responsible for re-establishing the School. The loans from Full Circle were to assist with the Trust's financial commitments to invest in the joint venture. The loans are unsecured and interest is charged at a commercial rate as detailed in note 6 to the accounts.

Loans - Old St Beghian Guarantee Trust Fund

The Old St Beghian Guarantee Trust Fund (OSBGTF) is part of the alumni organisation for the School. OSBGTF owns a number of properties used by St Bees School for which a rental charge is made. Funds have also been loaned to St Bees School, unsecured and interest free. There is no formal loan agreement in place. Following the announcement in March 2015 that the School would close at the end of Summer Term 2015 the loan was reclassified as falling due within one year and has been reflected as such in the accounts from the 31 July 2014 onwards. The Trust has received a letter of comfort from the OSBGTF stating that it is not, currently, their intention to demand repayment of all or any part of the loan.

Bank loan

The bank loan consists of a Bounce Back loan taken out by St Bees Enterprises Limited in May 2020.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

16 Creditors	Consolidated		School	
Amounts falling due after more than one year	2021 £	2020 £	2021 £	2020 £
Bank loan	20,758	25,854	-	-
	<u>20,758</u>	<u>25,854</u>	<u>-</u>	<u>-</u>
Bank loan		2021		2020
		£		£
This is repayable as follows:				
In the next year - see note 15		5,096		837
In the second to fifth years		20,758		21,171
After five years		-		4,683
		<u>25,854</u>		<u>26,691</u>

Bank loan

The bank loan consists of a Bounce Back loan taken out by St Bees Enterprises Limited in May 2020.

17 Provisions for liabilities	Consolidated and Trust	
	Other onerous contractual commitments £	Total £
At 1 August 2020	1,498,667	1,498,667
Increase in the year	101,333	101,333
Reclassification as current liability (see note 15)	(1,600,000)	(1,600,000)
At 31 July 2021	<u>-</u>	<u>-</u>

Other onerous contractual commitments at 31 July 2020 consisted of £1,498,667 in respect of the lease of Lonsdale Terrace and land at Wood Lane from the Old St Beghians Guarantee Trust Fund.

Provision had been made for rent relating to both arrears and the unexpired term of the lease, together with a liability in respect of re-instatement works in connection with the terms of the lease, having given due consideration to professional dilapidation survey reports and the subsequent deterioration of the properties. In view of ongoing negotiations with the Old St Beghians Guarantee Trust Fund during year ended 31 July 2021, the directors considered it prudent to reclassify the indebtedness as a current liability at the balance sheet date. The directors consider a liability of £1,600,000 as being appropriate, consisting of £408,250 in respect of unpaid rental, £1,100,000 in respect of dilapidations and capital re-instatement, and £91,750 in respect of consequential costs. This resulted in an exceptional cost of £101,333 in the year (see note 8).

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

18 Commitments

- (a) At 31 July 2021 the Group and Trust had financial commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2021	2020
	£	£
Amount payable:		
Within 1 year	-	69,417
Between 1 and 5 years	-	92,000
After 5 years	-	204,250
	-	365,667

The operating lease commitments in respect of land and buildings were payable to the Old St Beghians Guarantee Trust Fund, for the use of Lonsdale Terrace and land at Wood Lane. The term of the lease was 25 years from 1 May 2008 and the annual commitment was £23,000. Lease commitments, along with other provisions, have been reclassified as current liabilities - see notes 15 and 17.

- (b) At 31 July 2021 the Group and Trust had no capital commitments (2020: £nil).
- (c) At 31 July 2021 the Group and Trust had financial commitments of £nil (2020: £nil).

19 Going concern

St Bees School ceased to be operated by the charity on its closure at the end of the Summer Term 2015. Full details regarding the effect on going concern are given in note 1.1 to the accounts.

20 Taxation

The Trust is a registered charity and is exempt from corporation tax under the provision of Section 478 of the Corporation Tax Act 2010.

St Bees Enterprises Limited is a trading subsidiary of the Trust and is liable to corporation tax on its taxable profits at the applicable rate.

21 Related party transactions

At 31 July 2021 the charity owed loans of £179,024 (2020: £179,024) to the Old St Beghian Guarantee Trust Fund, which is closely connected to the St Beghian Society, the alumni organisation for the School. Mr R Calvin, the spouse of Mrs S Calvin, a director of St Bees School, is a trustee of the Old St Beghian Guarantee Trust Fund. Further details regarding the loans are included in note 15 to the accounts.

At 31 July 2021 the charity owed £1,600,000 (2020: £1,498,667 included within provisions) to the Old St Beghian Guarantee Trust Fund. Further details regarding this liability are included in notes 15 and 17 to the accounts.

At 31 July 2021 the charity owed loans of £577,026 (2020: £577,026) to Full Circle Education Group, the Trust's co-venturer in St Bees School Management Company Limited. Additionally, interest of £67,626 (2020: £50,545) has accrued on these loans at the balance sheet date. Further details regarding the loans are included in note 15 to the accounts.

During the year the Trust invoiced its joint venture company, St Bees School Management Company Limited, for goods and services provided amounting to £10,852 (2020: £nil). These items are offset within administration expenses.

During the year St Bees School Management Company Limited invoiced the Trust for goods and services provided amounting to £4,584 (2020: £nil). These items are included within administration expenses.

Under a deed of covenant dated 25 August 1998 the subsidiary company, St Bees Enterprises Limited, has covenanted to pay the parent charity, St Bees School, an annual sum not exceeding its taxable profits for the accounting year. For the year ended 31 July 2020 this amounted to £19,394 (2020: £22,614).

During the year St Bees Enterprises Limited invoiced St Bees School Management Company Limited for goods and services provided amounting to £120 (2020: £100). These items are included within income.

During the year St Bees School Management Company Limited invoiced St Bees Enterprises Limited for goods and services provided amounting to £nil (2020: £13). These items are included within fixed asset additions or administration expenses as appropriate.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

22 Allocation of the group net assets

Fund balances at 31 July 2021 as represented by:

	Fixed Assets	Current Assets	Current Liabilities	Provisions/ Long term Liabilities	Total
	£	£	£	£	£
Endowment funds	1,416,144	427	-	-	1,416,571
Restricted funds	-	-	-	-	-
Unrestricted funds	3,661,431	182,190	(2,451,107)	(20,758)	1,371,756
Total for group	5,077,575	182,617	(2,451,107)	(20,758)	2,788,327

Allocation of the group net assets - previous year

Fund balances at 31 July 2020 as represented by:

	Fixed Assets	Current Assets	Current Liabilities	Provisions/ Long term Liabilities	Total
	£	£	£	£	£
Endowment funds	1,390,361	530	-	-	1,390,891
Restricted funds	-	-	-	-	-
Unrestricted funds	3,568,699	264,391	(912,773)	(1,524,521)	1,395,796
Total for group	4,959,060	264,921	(912,773)	(1,524,521)	2,786,687

23 Analysis of movements in endowment funds

	Balance 1 August 2020 £	Incoming Resources £	Resources Expended £	Transfers and Investment Gains/ (Losses) £	Balance 31 July 2021 £
<i>Permanent Funds:</i>					
Capital	1,000	-	-	-	1,000
Royalties	695,891	25,680	-	-	721,571
Capital replacement fund	694,000	-	-	-	694,000
Group and Trust	1,390,891	25,680	-	-	1,416,571

Analysis of movements in endowment funds - previous year

	Balance 1 August 2019 £	Incoming Resources £	Resources Expended £	Transfers and Investment Gains/ (Losses) £	Balance 31 July 2020 £
<i>Permanent Funds:</i>					
Capital	1,000	-	-	-	1,000
Royalties	675,829	20,062	-	-	695,891
Capital replacement fund	694,000	-	-	-	694,000
Group and Trust	1,370,829	20,062	-	-	1,390,891

The capital fund represents a nominal amount relating to the original endowment of the School land and buildings.

The royalties fund has been created to provide for the loss of the permanent endowment on Birkham's Quarry, a sandstone quarry which was part of the original asset base of the Trust. As the sandstone is quarried, the asset is eroded and the royalties received replace the diminution in value of the asset. The income from royalties arises from land held on permanent endowment and is subsequently utilised on improvements to the Trust's land and buildings. The credit balance on the royalties fund is thus not represented by cash but by tangible fixed assets.

The direction by an order of the Charity Commission dated 10 July 2015 approved the expenditure of a total of £694,000 of endowment funds to expedite the winding down of the School's affairs following closure on 3 July 2015, under the power given in section 105 of the Charities Act 2011.

This expenditure is subject to the creation of a Capital replacement fund by appropriating expendable property to the value of £694,000 as permanent endowment in the records of the charity.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

24 Analysis of movements in unrestricted funds

	Balance 1 August 2020 £	Incoming Resources £	Resources Expended £	Transfers and Gains/ (Losses) £	Balance 31 July 2021 £
Designated:					
Extraordinary repair fund	28,000	-	-	1,000	29,000
Property revaluation reserve	2,696,471	-	-	120,000	2,816,471
Capital fund	883,563	-	-	-	883,563
Trust general fund	(2,236,987)	53,297	(216,208)	18,394	(2,381,504)
Sub-total - Trust	1,371,047	53,297	(216,208)	139,394	1,347,530
Reserves - St Bees Enterprises Limited	24,749	84,459	(65,588)	(19,394)	24,226
Consolidated funds	1,395,796	137,756	(281,796)	120,000	1,371,756

Analysis of movements in unrestricted funds - previous year

	Balance 1 August 2019 £	Incoming Resources £	Resources Expended £	Transfers and Gains/ (Losses) £	Balance 31 July 2020 £
Designated:					
Extraordinary repair fund	27,000	-	-	1,000	28,000
Property revaluation reserve	2,946,471	-	-	(250,000)	2,696,471
Capital fund	802,063	-	-	81,500	883,563
Trust general fund	(2,138,317)	54,727	(175,011)	21,614	(2,236,987)
Sub-total - Trust	1,637,217	54,727	(175,011)	(145,886)	1,371,047
Reserves - St Bees Enterprises Limited	14,386	116,687	(83,710)	(22,614)	24,749
Consolidated funds	1,651,603	171,414	(258,721)	(168,500)	1,395,796

The Charity Commission have directed that a yearly sum of not less than £1,000 shall be invested for the purpose of providing for the extraordinary repair, improvement or rebuilding of property belonging to the Trust.

The property revaluation reserve represents the surplus on revaluation of the charity's properties. The charity's properties were revalued during the year ended 31 July 2021 with an increase of £120,000 (2020: decrease of £168,500 to the carrying value, consisting of an elimination of depreciation previously charged to the capital fund of £81,500 and a reduction of £250,000 to the gross valuation).

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

24 Analysis of movements in unrestricted funds (continued)

The capital fund represents amounts invested in land and buildings, which were previously funded by loans from The Friends of St Bees School General Charitable Trust. The Friends converted all loans into a donation on 31 July 2017, £883,563 of which pertained to capital fund investment. Depreciation on the charity's property is charged to this fund. The capital fund is represented entirely by land and buildings.

The Trust's general fund is retained to provide working capital and may be used for the charity's general purposes. The Trust's general fund showed a deficit of £2,381,504 (2020: Deficit of £2,236,987) at 31 July 2021.

The Trustees are taking steps to reduce the deficit on general funds in line with best practice.

25 Gross cash flows

	Group 2021 £	<i>Group 2020 £</i>
Reconciliation of net movement in funds to net cash inflow/(outflow) from operating activities		
Net movement in funds	1,640	(235,745)
Investment income	-	(208)
Endowment donations	(25,680)	(20,062)
Depreciation	3,530	3,686
Impairment of fixed assets	-	(338)
(Gains)/losses on revaluations	(120,000)	168,500
(Increase)/decrease in debtors	84,721	(62,063)
Increase/(decrease) in creditors	1,534,074	100,409
Increase/(decrease) in provisions	(1,498,667)	-
Net cash (used in)/provided by group operating activities	(20,382)	(45,821)