
Lichfield Cathedral School
(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

Lichfield Cathedral School
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Governors	Ms N Dawes OBE, Chair (from 2 December 2020) The Very Rev'd A Dorber BA MTh FRSA Mrs R Hadley-Leonard Mrs J Mason ABSM PGCE Mr R Oakley Mr C Rickart BA PGCE Mrs N Roy FCCA The Rev'd Canon A Stead MA Ms C S Shaw BEd, Interim Chair (until 2 December 2020) Mr E Lunt BA MA AKC PGCE NPQH ARSM (appointed 1 July 2021) The Rev'd Canon Dr G Platten (appointed 7 September 2021)
Company registered number	07302696
Charity registered number	1137481
Registered office	The Palace The Close Lichfield Staffordshire WS13 7HL
Bursar	Mrs P A Sharratt FCCA
Head	Mrs S E Hannam BA MA PGCE
Independent auditors	Bates Weston Audit Ltd Statutory Auditors Chartered Accountants The Mills Canal Street Derby DE1 2RJ
Bankers	Santander Corporate Banking 1 Cornwall Street Birmingham B3 2DX National Westminster Bank Plc 47 Market Street Lichfield Staffordshire WS13 6LE

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS GOVERNORS AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Solicitors	Pickerings Solicitors (Tamworth) Limited Etchell House Bonehill Road Tamworth Staffordshire B78 3HQ
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Insurance Brokers	Hettle Andrews & Associates Ltd Eleven Brindley Place Birmingham B1 2LP
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Governors present their annual report together with the audited financial statements of the School for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Governors' report and a directors' report under company law. The Governors confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The Choristers of Lichfield Cathedral have been provided with an education for many hundreds of years. The school was re-founded in 1942 as an Independent School. A Charity was established in 1981, registered with the Charity Commission under charity number 1078650, however that charity ceased to operate on 5th November 2010 and all the assets and liabilities were transferred into this Charitable Company on that date. The governors and executive officers of the Charitable Company are listed on page 1 together with particulars of the professional advisers.

Objectives and activities

a. Policies and objectives

Charitable Objects

The Charity's Objects, as set out in its Articles of Association, are:

- To advance education in such ways as the Governors see fit, including in particular by the provision and conduct of a school for boys and girls which shall have a religious character in accordance with the tenets of the Church of England and which shall in particular (but without limitation) provide education for the Choristers of the Cathedral.
- To advance religion through worship according to the rites and ceremonies of the Church of England as offered from time to time in the Cathedral and elsewhere and the participation therein of the Choristers, other pupils at the School, families of the pupils, staff and other persons connected with the School.
- To further religious, educational and other charitable work in accordance with the principles of the Church of England in the diocese of Lichfield and the wider community.

In meeting these Objects, the School aims to create and maintain an educational environment which nurtures, nourishes and stimulates young minds and talents; one where the children may gain a thorough academic foundation and a wealth of experiences and challenges; and one where daily life is conducted according to Christian values. Furthermore, the School aims to provide a secure and ordered framework through which the children may develop their self-esteem and confidence, discover the riches of successful participation and achievement, and develop a spirit of generosity and service to others within the wider community.

Main Objectives

Our objectives are set to reflect our educational aims and the ethos of the School. It is important to us that we enhance the academic success of the School and continue to provide a wide range of co-curricular activities and enrichment opportunities for our pupils.

In the furtherance of these aims and planning our activities, the Governors have given careful consideration to the Charity Commission's public benefit guidance.

Main objectives for the year included:

- To increase pupil recruitment across all year groups, with a specific focus on Pre-School and Sixth Form.
- To improve pupil retention, particularly between Key Stage 2 and 3 and Key Stage 4 and 5.
- To raise achievement and value-added scores across all subjects.

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FOR THE YEAR ENDED 31 AUGUST 2021

- To continue to improve the School's provision for sport, PE and games.
- To expand the physical space and resources available for learning with particular focus on Sixth Form provision.
- To further extend the co-curricular programme.
- To support all aspects of chorister life for all boy and girl choristers of the school.
- To further develop the programme of performance management and appraisal for all teaching and support staff.
- To extend the School's links with other educational, charitable and commercial organisations.
- To expand the School's musical and other outreach work with primary and secondary schools across the diocese.
- To provide continuing support for pupils already in receipt of fee assistance through bursaries.
- To increase the provision of means-tested bursary support.
- To continue participation in the cultural and social life of Lichfield.

In setting objectives and planning for activities, the Governors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

The governors resolved to scrutinise and support the work of the Senior Management and Leadership Groups in shaping the new curriculum, appointing staff, implementing the admissions policy, resourcing and facilitating academic departments, increasing extra-curricular provision and developing links with the wider educational community within clear budgetary guidelines. It was reaffirmed that the appointment of high quality staff in all areas of the school's activities was the key to success.

c. Grant-making policies

The policy of reducing the financial resources provided for awards based on merit (scholarships) and allowing more funds to be provided for the assistance of those in financial need (bursaries) was sustained during the year. With no endowments or restricted funds, the School pays all such awards from income, necessarily requiring in this challenging economic environment that such awards are relatively small, but allowance has been made for the award of a 100% bursary should the appropriate circumstances present themselves.

Strategic report

Achievements and performance

Pupil Numbers and Fees

The COVID-19 pandemic affected recruitment into the early years and Year 7, resulting in fewer children joining the school than anticipated. In September 2020, the academic year began with 511 pupils enrolled, compared to 531 on roll at the end of 2019-2020. By the end of the 2020-2021 academic year this number had increased to 521.

The school fees were held at the previous level this year in response to the added financial pressures on parents and their expectations around remote learning. Following the second lockdown (January to March 2021), parents were offered a retrospective reduction on the Lent 2021 fees. The annual fees for the year before the deduction of any means-tested bursaries and scholarships were:

Nursery and Pre-Reception full day	£9,090
Reception	£9,090
Years 1 and 2	£9,675

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FOR THE YEAR ENDED 31 AUGUST 2021

Years 3 and 4	£11,130
Years 5 and 6	£13,080
Years 7 to 9	£13,380
Years 10 to 13	£14,250

The ongoing impact of COVID-19

Like all schools, the global pandemic impacted greatly on school life during 2020-2021. Although the school year began with a return to in-school teaching, just after the new year another lockdown was announced and the majority of pupils switched back to remote learning, with only vulnerable children and the children of key workers attending school on-site. This was challenging in terms of the need for staff, pupils and, in some cases, parents to learn new skills very quickly. As the Lent term progressed, preparations were made for the return of pupils as per government guidance. In March 2021, pupils in Years 7-13 were tested for COVID-19 twice on site before they could resume in-school learning.

Some of the most significant challenges faced by the school were handling late decision-making by the government, sudden changes in policy by the Departments for Education and Health, and the need to provide on-site lateral flow testing for all staff and pupils in Years 7-13 with very little notice. From a logistical point of view, pressures on the use of the site, in particular for dining, recreation and sports purposes, coupled with the need to keep each year group bubble separate from the others, presented considerable strain and difficulty.

When the school was allowed to open there were variable numbers of staff and pupils self-isolating or in quarantine, making the running of the organisation extremely complex. Public examinations were once again affected, with teacher assessed grades issued to GCSE and A Level students.

The close relationship with Lichfield Cathedral and the restrictions and challenges faced by that sector, also impacted school life, with regard to the choristers and the inability to attend the Cathedral for services and assemblies. In spite of these not inconsiderable challenges, the staff worked hard to provide as normal an experience as possible for pupils, with concerts, recitals and Speech Day moved online, assemblies and meetings conducted via MS Teams, and blended learning (with some pupils in the classroom and others at home) becoming routine.

Academic Performance

Despite the difficulties faced by students during the year, the GCSE and A Level exam results were the best results ever achieved by the school. The GCSE 100% pass rate was maintained, with 100% of students achieving at least 5 GCSEs with grades 9-4 (A**-C), including English and Mathematics. 64% of all grades were 9-7 (A**-A) and 83% of all grades were 9-6 (A**-B). The students and staff were congratulated for such outstanding results.

The post-16 students also achieved a 100% pass rate in A Levels and BTECs and 68% of all grades were A*-A, up from 42% the previous year. 99% of grades were A*-C, up from 97% in 2020. All students who wished to progress to higher education gained a place on the course of their choice. Outstanding individual performances included Olivia Gardner (A*A*A* in Maths, Biology and Chemistry) who went to the University of Liverpool to study Medicinal Chemistry with Pharmacology; Thomas Mant (A*A*A* in Maths, Chemistry and Physics) who has progressed to Loughborough University to study Mechanical Engineering, along with Evie McCreadie (A*A*A in Geography, Criminology and Psychology) studying Psychology. Isabella Browne (A*A*A* in Art & Design, Design & Technology and Business) and Thea Brangwin (A*A*A in Art & Design, Psychology and Biology) are now both studying Fashion Communication and Promotion at Nottingham Trent University. Jack Hughes (A*A*A in History, Government & Politics and Philosophy & Ethics, plus A* in the Extended Project) is pursuing History and Politics at Manchester University; Leo Whatley (A*AAA in Computer Science, Art & Design, Maths and Physics) is studying Computer Science with AI at Birmingham University, where he is joined by Amelia Grant (AA in Chemistry and Biology) pursuing Biological Sciences. Katherine Carter (A*A*A in History, English and Biology, plus A* in the Extended Project) is now studying Law at Cardiff University; Eilidh Owen (A*A*A* in Music, Maths

GOVERNORS' REPORT (CONTINUED)
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and Physics, plus A in the Extended Project) is taking a year out to teach before starting a performing arts degree in 2022. Joseph Hannam (A*AA in History, PE and Philosophy & Ethics, plus A in Extended Project) and Tom Hodgkiss (AAA in English, History and Government & Politics) are both studying Law at Leeds University.

As a non-academically selective school, some students entered the Sixth Form with modest GCSE results, so it is a testament to the dedication and commitment of students and staff that the leavers achieved grades high enough to gain places on challenging university courses that will prepare them for ambitious career paths.

Co-curricular Programme

Embedded within the curriculum, co-curricular programme, the Ethical Leadership qualification and other School activities (e.g. assemblies, charitable work and services of worship) are creative ways to develop the whole individual, including the 'soft skills' of presentation, public speaking, leadership, team working, coaching and mentoring of others, and social skills. The need to cancel almost all educational trips and visits and to limit visiting speakers to virtual appearances only, has affected pupils' ability to develop these skills, but every effort was made to replace face-to-face opportunities with virtual experiences.

Music

The ability to deliver music lessons and performances was seriously impacted by the pandemic. Despite significant restrictions on what could and could not be done, the Music Department rose to the challenge. Individual music lessons continued with maximum protective measures in place for pupils and teachers; during lockdowns, lessons continued via MS Teams. New small ensembles were created within year group bubbles where possible. Singing was most affected, with curriculum lessons and choirs only able to take place outdoors with social distancing. Singing indoors was, for the majority of the year, not possible. Virtual concerts replaced live performances and pupils were encouraged to take part in digital rehearsals offered by the Entrust music service. When restrictions allowed, performances and workshops were held outside, such as the Steel Drum workshop enjoyed by Year 4.

Lockdowns, social distancing and restrictions on indoor singing resulted in a mixture of virtual and small in-person services in the Cathedral for the choristers. During lockdowns, the Director of Music for the Cathedral edited solo recordings together to form a choir, enabling music to still form part of worship broadcast to the congregation over the internet. Even when restrictions were partially lifted, the number of singers was limited, meaning that for the whole academic year, the training choristers were never able to rehearse or perform with the other choristers. However, the popularity of the broadcast services meant that the choir reached more people than ever with their beautiful voices. Fortunately, the choir was still able to sing live to the nation on BBC Radio 4 to celebrate Ascension Day in May 2021.

As in previous years, individual pupils achieved excellence in local and regional competitions, including; Lydia Osborne (Year 9) who won the Junior Vocalist Category of the Staffordshire Young Singer 2020 competition, organised by the Entrust Music Service; James Sutton (Year 7) who won the Senior Category of the Staffordshire Young Musician 2021 competition, despite it being aimed at students in Year 10 and above; and Amelia White (Year 9) who won the Folk (Traditional) Senior Singer Category for 2021 and was selected to sing with D-Day Juniors, the youth version of the D-Day Darlings.

There were two outstanding achievements by a chorister and a Sixth Form Choral Scholar. Head Chorister Josie Sim reached the final of the BBC Chorister of the Year 2020 competition, achieving Runner-Up, which placed her first among the girl choristers. Josie has continued to work with BBC television for The Power of Music and hymns for Songs of Praise, and with BBC Radio 2, recording several pieces with the BBC Philharmonic Orchestra.

Eilidh Owen, former Head Chorister and now Sixth Form Choral Scholar, won the 18 and under category of The National Centre for Early Music's Young Composer Award in 2020. It is an astonishing achievement to be recognised by this hugely prestigious, internationally-renowned competition. The challenge was to create a new

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polyphonic work for unaccompanied choir, and Eilidh chose to set the first and last verses of George Herbert's poem *The Flower*. Eilidh spent the day of the final in an online workshop with the other seven finalists led by composer Christopher Fox, during which the Ex Corde Vocal Ensemble worked on all the pieces and ultimately performed them for a panel of judges. Eilidh's winning piece was performed by internationally acclaimed vocal ensemble *The Tallis Scholars* in March 2021 (remarkably, Eilidh was invited to conduct the choir by director Peter Phillips), and was broadcast on BBC Radio 3's *Early Music Show*. This achievement is all the more remarkable because Eilidh wrote this exceptionally high quality piece in only the second term of her A Level course and it was her first composition.

Drama

Drama remains extremely popular with pupils and everyone has the opportunity to take part in at least one performance. There were several small-scale productions by year groups prepared during curriculum lessons and recorded for parents to view online. The effects of the pandemic cut short the normal pattern of performances and theatre visits. LAMDA lessons continued where possible online during lockdowns and in person otherwise for a second year at the school, with a significant increase in the number of pupils taking part.

Sport

Sport for enjoyment and fitness forms a central part of the curriculum for all age groups and the co-curricular programme. The number of children participating in sport fixtures and the variety of sports was greatly impacted by the pandemic, with virtually all matches against other schools cancelled. During lockdowns, the PE Department staff posted daily challenges for pupils online and encouraged the creative use of home equipment and local park facilities. Once pupils returned to school, rugby, football, cricket, hockey, rounders, netball, cross-country, orienteering and athletics took place, with intra-school teams competing against each other. Students benefit from the use of facilities within the school and professional facilities in the local area that enable them to take part in badminton, squash, gymnastics and swimming. Although parents were not able to watch the senior Sports Day, it continued with a slightly different format to previous years, so that bubble integrity was maintained. One activity that particularly flourished during lockdown was the school's Fantasy Football League, eventually won by Lily Benson (Year 5) who beat the other 32 managers, resulting in a strange mixture of pride and disappointment among the staff football fanatics/armchair experts! When fixtures were reinstated, the school achieved remarkable success in tennis. Finally, the U13, U14 Division 2 and U15 Division 1 and 2 teams were all crowned champions in the Staffordshire Tennis League, an excellent achievement.

There were some outstanding individual achievements, notably Matthew White (Year 12) who won the Junior Championship title at Lichfield Golf and Country Club and placed third overall in the Men's Championship, as well as being selected for the second year running to be a Limitless Sports Ambassador; George Sim (Year 8) was selected for the U14 Staffordshire Hockey squad; Oscar Osborn-Wilkes (Year 6) achieved great success in the Dirt Track Riders Association UK Championship, placing first in the first four races; Casper Foster (Year 8) was retained by Walsall FC Academy as their U14 goalkeeper; Lexi Karagkevrekis (Year 5) represented Derbyshire at the County Tennis Cup; Carleyna Wright (Year 6) secured a place in the Staffordshire County U13 Hockey Team and gained a place in the prestigious Staffordshire Marauders team. Oliver Mills (Year 6) represented Staffordshire U11s Cricket, scoring his first competitive half century in his first county game; Eloise Mott (Year 8) and her Derby County U13 Black Socks team won the U14 DGLL League and she was selected for the Derby County U14 Regional Talent Centre for next season. Katie Burns (Year 4) qualified for the British National Show Jumping Finals, heading the overall ranking list for the 60cm and 70cm Junior sections; Harry Prescott (Year 9) competed at the Staffordshire Schools Athletics Championships placing 2nd overall in his first ever shot put competition.

Careers education

Unfortunately, due to lockdowns and COVID-19 restrictions, a significant number of planned careers events did not take place. However, work continued through Personal, Social and Health Education lessons and some events were held virtually. The school invested in Xello, an online career education and planning tool for pupils

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that can be accessed at any time, and the senior school was involved with #TuneUpTuesday celebrating the importance of careers in the creative arts industries.

Enrichment activities

The restrictions in place due to the pandemic resulted in almost all school trips and visits being cancelled or postponed for the whole academic year. Where possible, virtual visits were organised, such as the poet James Carter who spoke with pupils in Year 5 and 6 from his home in Oxfordshire on National Poetry Day, and Year 10 learning from Sufi theologian Hasan Spiker about a joint Christian-Muslim research project at the Cambridge University Centre for the Study of Platonism. Pupils undertaking the Bronze and Silver Duke of Edinburgh Award were able to complete their expeditions at the end of the academic year. The Forest School ensured pupils continued to develop useful outdoor skills, whilst building self-confidence, resilience and an appreciation of the natural environment.

The Art Department launched the first in a series of solo exhibitions within school, with the work of Otto Homer (Year 7) displayed in the Palace dining rooms, while Charlotte Bill (Year 5) placed 1st and 3rd in the Lichfield Rotary Club Young Photographer competition and won the District competition, too, and was selected for the National Final. The classrooms in School House were adorned with beautiful displays created by the Art Scholars for the Window Wanderland community arts event in Lichfield.

Supporting mental health

A considerable amount of staff time was spent supporting the mental health of pupils, ranging from regular individual phone calls during lockdowns, to PSHE lessons and topic-based work, a Wellbeing Day at Longdon for the children of critical workers attending school during lockdown, and a series of whole school activities for World Kindness Day 2020 and Children's Mental Health Week in 2021. Parents were provided with regular and detailed advice on how to protect their children online and The Friends of LCS (the school's PTA) provided support to other parents through telephone calls and virtual coffee catch-ups on Zoom.

Details of bursary and scholarship awards

Bursaries

This year the value of means-tested bursaries totalled £268,618 and represented 4.3% of our gross fees and provided assistance to 52 of our pupils.

Scholarships

In addition, the School awarded scholarships to 158 pupils, based on their educational merit and potential, totalling £323,711 and representing 5.2% of our gross fees. Of this number, 10 qualified for means-tested bursary support and are included in the figures relating to bursary awards. The progress of pupils receiving scholarships is reviewed at least annually to ensure their progress is in line with their abilities. No scholarships were withdrawn in the year as a result of reviews.

Service to the Community

Fundraising

A large amount of fundraising was undertaken throughout the year on behalf of Young Minds (mental health), Comic Relief, the RSPCA, Cancer Research UK and Carter The Brave. Support was also provided in the form of donations of relevant resources to Derbyshire Refugee Solidarity (clothes, bedding, cooking utensils and toiletries for refugees in Calais, Syria and the Greek Islands); food for the Lichfield and Rugeley Foodbanks; and food and stationery for Helping Each Other Lichfield and Surrounding Areas which began during the first lockdown and was founded by a grandparent of an LCS pupil.

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Several pupils undertook challenges to raise money for charities, including Oliver Rowels (Year 5) who walked, ran and cycled 100km in a month and raised £300 for Birmingham Children's Hospital; Adam Riches (Year 10) and his family completed a sponsored bike ride, raising more than £1000 for their local church; Josie Sim (Year 11) and Tegen Hill both donated their hair to the Little Princess Trust who make wigs for children with cancer, and raised £965 between them for the charity as well. Holly Wilson (Year 6) was inspired by a PSHE lesson to raise £300 for the Carter The Brave charity by doing 300 burpees in a week; Carter Chatting (whose parents founded the Carter The Brave charity following his treatment for acute lymphoblastic leukaemia) completed a 10k run and raised £6,000 for Birmingham Children's Hospital and children's cancer research. Erin Ward (Year 8) raised £1,300 for Cancer Research by walking 10,000 steps per day; and Lily Whitehouse (Year 3) raised £50.50 for the Epilepsy Society by organising a book renting scheme in her class.

Music outreach

Music outreach activities enable the School to share its expertise with local schools and encourage children from across the region to engage with new forms of making music. The School's award-winning MusicShare programme, which is supported by Entrust, Staffordshire's Music Service, the Music Partnership and the Arts Council, has continued to grow and reach more children across the Midlands. When it started, MusicShare worked with 3 schools per term, now it works with 150 schools in core projects and one-off workshops.

The pandemic naturally impacted the work of MusicShare, but activities continued in an altered format. Unfortunately, Toddler Rhyme Time, a weekly sing-along session for under 5s could not run, but Mini Voices, a weekly music group for the same age range based in The Close was able to continue by meeting outdoors. These valuable sessions enable children to build confidence and social skills, as well as developing the early phonics building blocks for literacy and numeracy. Other groups run by MusicShare include community choirs such as Young Voices (ages 6-11) and Youth Voices (ages 12-18) also continued to meet outside with social distancing, while Ladies Who Lark (age 18+), curriculum singing workshops for Key Stage 1 and 2, and 2-day choral courses during the holidays for talented singers aged 12-18 took place online.

Sport outreach

The school successfully ran an outstanding and award-winning tennis outreach programme in partnership with the Tim Henman Foundation. The programme consisted of a free 6-week tennis programme delivered in local primary schools for the benefit of both pupils and staff. The funding enabled a qualified, experienced tennis coach to visit 9 schools per term to deliver focused lessons building tennis techniques, and provided a supply of tennis equipment to enable the schools to continue to deliver tennis within their sport curriculum. Again, this programme was affected by the pandemic, but with some adaptations, it ran successfully.

Access to facilities and expertise

The School offered Forest Tots, a weekly outdoor session for under 5s and their parents learning about the natural environment. Practical activities stimulate creative thinking, problem-solving and skill development, while fostering confidence, learning to co-operate and how to identify and manage risk. The sessions are led by a qualified Forest School practitioner. During lockdowns, video tutorials were provided for parents to use with their children at home or in local outdoor areas.

Although there were fewer events held during the academic year, the School continued to open its doors free of charge to community groups, such as:

- The Johnson Society hold their monthly meetings at the School.
- The Guild of Stewards of Lichfield Cathedral host dinners and social events at the School.

Volunteers

The School is fortunate to have a dedicated, experienced Board of Governors who have given increased time

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and thought to the governance of the School during this academic year.

The Friends of the Cathedral School is run by a committee of highly enthusiastic and dedicated parents. Their principal twin aims are to provide good quality social events throughout the year for parents and pupils to enjoy, whilst also raising funds for the School in order to provide items that might not otherwise be afforded. Their policy for the allocation of funds is to provide for special items that would not naturally fall within the school's budget, and to ensure that all children in the school, throughout the age range, benefit from the projects supported. Normally, The Friends would organise events including Quiz Nights, a festive afternoon tea and a Christmas Fayre, plus film nights and discos for children; however, this year it was not possible to hold those events. The School's second-hand uniform shop is organised and managed by The Friends, with all proceeds spent on projects that benefit pupils.

The Governors and Senior Management Team greatly appreciate the valuable contribution of all volunteers.

Sustainability

All activities of the Governing Body during the year have been dedicated to the sustainment, improvement and general development of a school which provides an education for a broader range of boys and girls aged 21/2 to 18, in particular the Cathedral choristers, within the context of its Christian ethos. The Governing Body expanded its number to broaden the representation of skills and experience, and will continue to fill any identified gaps.

Financial review

a. Going concern

The Governors assess whether the use of going concern is appropriate, that is, whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the school to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the school has adequate resources to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Governors have prepared cashflow forecasts and projections, taking account of reasonably possible changes in financial performance as a result of the COVID-19 pandemic, these show that the school should be able to operate within the level of its current facility.

A new loan facility was agreed on 5 May 2021 which is repayable over a 15 year period.

b. Reserves policy

The Governors have established a policy whereby the unrestricted funds held by the School should be enough to cover one school term of expenditure. At this level the Governors feel that they would be able to continue the current activities of the School. At 31 August 2021 the unrestricted free reserves of the School were in deficit by £815,402. The charity restricted funds are represented by fixed assets and current assets. The purposes of these funds are detailed in note 14 to the accounts.

c. Risk management objectives and policies

The Governors are responsible for the management of risks faced by the School. Detailed considerations of financial risk are undertaken by the Finance and General Purposes Committee, and that of children's welfare and workplace risk by the School's Health and Safety Committee which in turn reports to the Finance and General Purposes Committee. Risks are identified and assessed, and controls established, throughout the year. In all specialised areas, relevant qualified and experienced experts are employed to give advice. A formal financial audit by an external body is carried out each year and their report is considered by the Governors. The

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Charitable Company adopts a system of formal agendas and minutes for all committee and full meetings, as well as comprehensive strategic planning, budgeting and management accounting, clear organisational structure and lines of reporting, formal written policies, clear authorisation and approval systems, and vetting procedures as required by law for the protection of the vulnerable. Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated.

d. Financial review

The accounting year of the Charitable Company has resulted in a surplus of funds for the year of £317,002.

The principal financial management policies adopted include:

- the production of regular termly management accounts which are scrutinised by the Finance and General Purposes Committee;
- the preparation of detailed annual budgets which include comparison to actual performance;
- a detailed audit carried out by a firm of Chartered Accountants who report their findings direct to the Governors at a formal Governors meeting;
- regular meetings between the Chairman of the Finance and General Purposes Committee and the Bursar;
- the authorisation of all expenditure by either the Head Teacher or the Bursar; and
- regular weekly meetings between the Head Teacher and the Bursar.

Structure, governance and management

a. Constitution

Lichfield Cathedral School is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 2 July 2010.

b. Methods of appointment or election of Governors

The management of the School is the responsibility of the Governors who are elected and co-opted under the terms of the Memorandum of Association.

c. Organisational structure and decision-making policies

The day to day running of the School is delegated to the Head Teacher, Bursar and Senior Management Team. The Head Teacher and Bursar attend all meetings of Governors.

The board of Governors meet at least once each term. It has two working committees: Finance and General Purposes and Education. Each committee meets formally every term in advance of the full governing body meeting, and holds further meetings as necessary.

d. Policies adopted for the induction and training of Governors

The board of Governors consists of up to fifteen individuals, up to five are appointed by the Chapter of Lichfield Cathedral and of such five, at least two shall be members of Chapter; up to ten are appointed by the Governors. At the end of the last meeting of each academic year, the Governors appoint one of their number to act as Chairman to chair the meetings until the last meeting of the following academic year. The Governors may revoke at any time any such appointment.

All New Governors are inducted into the workings of the Charitable Company by the Head Teacher and Bursar. All Governors are welcome to visit the School and training is available through AGBIS and other organisations, as required.

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e. Governors' indemnities

The School has taken out Professional Indemnity/Governors Liability insurance as part of the public liability policy. The insurance provides cover up to £2,000,000 (2020 - £2,000,000).

Plans for future periods

In addition to continuing to meet the primary objectives of the School as itemised above, the key objectives for the next five years are to:

1. develop the quality of systems of governance and strengthen the accountability of management;
2. achieve the highest standards of learning throughout the school, particularly in preparation for public examinations;
3. ensure that the curriculum from Pre-school to Year 13 is balanced and effective;
4. continue the development of the Sixth Form by increasing the pupil numbers;
5. continue to develop a realistic longer term business strategy, which includes the improvement of the facilities at the School;
6. foster the relationship of the boy and girl choristers to the Cathedral Foundation;
7. continue to develop inspirational opportunities both within and beyond the curriculum including partnerships with the wider educational and Christian community.

Members' liability

The Members of the School guarantee to contribute an amount not exceeding £10 to the assets of the School in the event of winding up.

Statement of Governors' responsibilities

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

Company law requires the Governors to prepare financial statements for each financial . Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the School and of its incoming resources and application of resources, including its income and expenditure, for that period, In preparing these financial statements, the Governors are required to:

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

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

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Disclosure of information to auditor

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Approved by order of the members of the board of Governors and signed on their behalf by:

Ms N Dawes OBE

Date: 10 March 2022

Lichfield Cathedral School
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LICHFIELD CATHEDRAL SCHOOL

Opinion

We have audited the financial statements of Lichfield Cathedral School (the 'school') for the year ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Governors are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LICHFIELD CATHEDRAL SCHOOL
(CONTINUED)

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

We have nothing to report in this regard.

Opinion 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 Governors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report.

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

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

Responsibilities of trustees

As explained more fully in the Governors' responsibilities statement, the Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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

Lichfield Cathedral School
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LICHFIELD CATHEDRAL SCHOOL
(CONTINUED)

expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Enquiry of management around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Wayne Thomas ACA (Senior statutory auditor)

for and on behalf of

Bates Weston Audit Ltd

Statutory Auditors

Chartered Accountants

The Mills

Canal Street

Derby

DE1 2RJ

30 March 2022

Lichfield Cathedral School
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Income from:					
Donations and legacies	2	-	60,245	60,245	321,822
Charitable activities	3	55,409	5,624,725	5,680,134	5,484,295
Investments		-	813	813	3,562
Total income		55,409	5,685,783	5,741,192	5,809,679
Expenditure on:					
Charitable activities	4	55,512	5,368,678	5,424,190	5,396,641
Total expenditure		55,512	5,368,678	5,424,190	5,396,641
Net movement in funds		(103)	317,105	317,002	413,038
Reconciliation of funds:					
Total funds brought forward		28,505	1,302,698	1,331,203	918,165
Net movement in funds		(103)	317,105	317,002	413,038
Total funds carried forward		28,402	1,619,803	1,648,205	1,331,203

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 20 to 34 form part of these financial statements.

Lichfield Cathedral School
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REGISTERED NUMBER: 07302696

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	2,441,039	2,551,437
		<u>2,441,039</u>	<u>2,551,437</u>
Current assets			
Debtors	11	96,096	270,721
Cash at bank and in hand		1,561,704	946,368
		<u>1,657,800</u>	<u>1,217,089</u>
Creditors: amounts falling due within one year	12	(1,247,503)	(2,437,323)
Net current assets / (liabilities)		<u>410,297</u>	<u>(1,220,234)</u>
Total assets less current liabilities		<u>2,851,336</u>	<u>1,331,203</u>
Creditors: amounts falling due after more than one year	13	(1,203,131)	-
Total net assets		<u><u>1,648,205</u></u>	<u><u>1,331,203</u></u>
Charity funds			
Restricted funds	14	28,402	28,505
Unrestricted funds	14	1,619,803	1,302,698
Total funds		<u><u>1,648,205</u></u>	<u><u>1,331,203</u></u>

The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:

Ms N Dawes OBE

Date: 10 March 2022

The notes on pages 20 to 34 form part of these financial statements.

Lichfield Cathedral School
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	429,808	552,874
Cash flows from investing activities		
Proceeds from the sale of tangible fixed assets	4,175	-
Purchase of tangible fixed assets	(21,832)	(74,533)
Investment income	813	3,562
Net cash used in investing activities	(16,844)	(70,971)
Cash flows from financing activities		
Cash inflows from new borrowing	250,000	-
Repayments of borrowing	(19,189)	(53,750)
Bank and loan interest paid	(28,439)	(17,703)
Net cash provided by/(used in) financing activities	202,372	(71,453)
Change in cash and cash equivalents in the year	615,336	410,450
Cash and cash equivalents at the beginning of the year	946,368	535,918
Cash and cash equivalents at the end of the year	1,561,704	946,368

The notes on pages 20 to 34 form part of these financial statements

Lichfield Cathedral School
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

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

Lichfield Cathedral School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Income

All income is recognised once the School has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For donations to be recognised the School will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the School and it is probable that they will be fulfilled.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. Investment management costs are included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the School's right to receive payment is established.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the School's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.4 Government grants

Government grants are recognised in income when the grant proceeds are received or receivable unless future performance-related conditions are specified that have not been met. Grants received before the income recognition criteria are satisfied are recognised as a liability.

1.5 Taxation

The School is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.6 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the school assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Goodwill	- 8 % straight line
----------	---------------------

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

At each reporting date the School assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Lichfield Cathedral School
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.7 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	2.0%	straight line
Long-term leasehold property	-	2.0%	straight line
Short-term leasehold property	-		Over the lease period
Motor vehicles	-	20.0%	straight line
Furniture and fittings	-	12.5%	straight line

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.10 Lease of school premises

The School enjoys the benefit of having a long term lease from Lichfield Cathedral for the Palace and School House. The lease was taken out on 1 September 1981 for a period of 99 years of which 60 years remain. No lease premium was paid and as such this has not been capitalised.

Rental payments are charged to the Statement of Financial Activities in the period in which they relate.

On 28 August 2003, the School acquired a further long-term lease of 76 years for Dimble House, Beacon Street, Lichfield, from Lichfield Cathedral. The cost of the lease has been capitalised and is being amortised over the term of the lease. Lichfield Cathedral have agreed to an extension of the term of the lease to 125 years at no additional cost.

Lichfield Cathedral School
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.11 Pensions

The School operates a defined contribution pension scheme for non-teaching staff. A defined contribution plan is a pension plan under which the School pays fixed contributions into a separate entity. Once the Contributions have been paid the School has no further payment obligations.

The contributions are recognised as an expense in the Statement of Financial Activities when they fall due. Amounts not paid are shown in other creditors as a liability in the Balance Sheet. The assets of the plan are held separately from the School in independently administered funds.

Retirement benefits to certain members of the teaching staff are provided by the Teachers' Pension Scheme ("TPS"). This is a defined benefit scheme.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

1.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the School and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the School for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Government grants			
Coronavirus Job Retention Scheme grant	60,245	60,245	321,822

Lichfield Cathedral School
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

3. Income from charitable activities

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Fees receivable	-	5,355,168	5,355,168	5,183,177
Other educational income	55,409	269,557	324,966	301,118
	<u>55,409</u>	<u>5,624,725</u>	<u>5,680,134</u>	<u>5,484,295</u>
<i>Total 2020</i>	<u>23,502</u>	<u>5,460,793</u>	<u>5,484,295</u>	

	2021 £	<i>2020 £</i>
School Fees Receivable		
Fees receivable	6,297,679	6,333,094
Less: Remissions	(942,511)	(1,149,917)
	<u>5,355,168</u>	<u>5,183,177</u>

4. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Teaching costs	15,552	3,254,153	3,269,705	3,260,818
Welfare	-	521,410	521,410	480,773
Premises	-	649,586	649,586	605,642
Support costs of schooling	39,960	862,232	902,192	953,282
Governance costs	-	81,297	81,297	96,126
	<u>55,512</u>	<u>5,368,678</u>	<u>5,424,190</u>	<u>5,396,641</u>
<i>Total 2020</i>	<u>12,498</u>	<u>5,384,143</u>	<u>5,396,641</u>	

Lichfield Cathedral School
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Analysis of expenditure by activities

	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total funds 2021 £	Total funds 2020 £
Teaching costs	3,042,502	-	227,203	3,269,705	3,260,818
Welfare	50,959	-	470,451	521,410	480,773
Premises	187,168	66,859	395,559	649,586	605,642
Support costs of schooling	501,362	61,115	339,715	902,192	953,282
Governance costs	-	-	81,297	81,297	96,126
	<u>3,781,991</u>	<u>127,974</u>	<u>1,514,225</u>	<u>5,424,190</u>	<u>5,396,641</u>
<i>Total 2020</i>	<u><u>3,799,251</u></u>	<u><u>122,931</u></u>	<u><u>1,474,459</u></u>	<u><u>5,396,641</u></u>	

6. Auditors' remuneration

	2021 £	2020 £
Fees payable to the School's auditor for the audit of the School's annual accounts	4,250	4,250
Fees payable to the School's auditor in respect of:		
All non-audit services not included above	1,000	1,300
	<u><u>1,000</u></u>	<u><u>1,300</u></u>

7. Staff costs

	2021 £	2020 £
Wages and salaries	3,002,306	3,023,777
Social security costs	274,111	273,617
Contribution to defined contribution pension schemes	505,574	501,857
	<u><u>3,781,991</u></u>	<u><u>3,799,251</u></u>

Lichfield Cathedral School
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. Staff costs (continued)

The average number of persons employed by the School during the year was as follows:

	2021 No.	<i>2020 No.</i>
Head and teachers	79	<i>84</i>
Welfare and maintenance	19	<i>17</i>
Bursary and administration	25	<i>29</i>
	123	<i>130</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	<i>2020 No.</i>
In the band £60,001 - £70,000	1	<i>1</i>
In the band £70,001 - £80,000	1	<i>-</i>
In the band £90,001 - £100,000	1	<i>1</i>

The School considers its key management personnel to comprise the Head Teacher, the Bursar, the Deputy Head, the Head of Junior School, the Assistant Heads, and the Director of Marketing and Admissions. The aggregate remuneration and benefits received by key management personnel was £495,091 (2020: £433,358).

8. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, no Governor expenses have been incurred (2020 - £NIL).

9. Intangible assets

	Goodwill £
Cost	
At 1 September 2020	25,000
At 31 August 2021	25,000
Amortisation	
At 1 September 2020	25,000

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. Intangible assets (continued)

At 31 August 2021	<u>25,000</u>
Net book value	
At 31 August 2021	<u>-</u>
At 31 August 2020	<u>-</u>

10. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Short-term leasehold property £	Motor vehicles £	Furniture and fittings £	Total £
Cost or valuation						
At 1 September 2020	1,508,584	1,434,773	139,894	18,069	1,059,746	4,161,066
Additions	-	-	-	-	17,657	17,657
Transfers between classes	(4,175)	4,260	-	-	(85)	-
At 31 August 2021	<u>1,504,409</u>	<u>1,439,033</u>	<u>139,894</u>	<u>18,069</u>	<u>1,077,318</u>	<u>4,178,723</u>
Depreciation						
At 1 September 2020	234,341	441,742	87,960	13,929	831,657	1,609,629
Charge for the year	24,833	29,117	10,920	2,070	61,115	128,055
At 31 August 2021	<u>259,174</u>	<u>470,859</u>	<u>98,880</u>	<u>15,999</u>	<u>892,772</u>	<u>1,737,684</u>
Net book value						
At 31 August 2021	<u>1,245,235</u>	<u>968,174</u>	<u>41,014</u>	<u>2,070</u>	<u>184,546</u>	<u>2,441,039</u>
At 31 August 2020	<u>1,274,243</u>	<u>993,031</u>	<u>51,934</u>	<u>4,140</u>	<u>228,089</u>	<u>2,551,437</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Debtors

	2021 £	2020 £
Due within one year		
Outstanding fees	44,475	55,060
Other debtors	6,827	10,039
Prepayments and accrued income	44,794	205,622
	<u>96,096</u>	<u>270,721</u>

12. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	71,430	1,043,750
Pupil deposits	166,950	166,927
Trade creditors	15,283	189,194
Other taxation and social security	64,758	64,795
Other creditors	202,425	170,677
Accruals and deferred income	726,657	801,980
	<u>1,247,503</u>	<u>2,437,323</u>

	2021 £	2020 £
Deferred income at 1 September 2020	558,442	550,260
Resources deferred during the year	527,509	558,442
Amounts released from previous periods	(558,442)	(550,260)
	<u>527,509</u>	<u>558,442</u>

Deferred income relates to fees in advance as disclosed in creditors and the balance is trips and other miscellaneous income.

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	<u>1,203,131</u>	<u>-</u>

Security

National Westminster Bank PLC hold a first legal mortgage and first legal charge on the freehold property relating to the land and premises at Longdon Green, Longdon, Staffordshire, and the leasehold interest property relating to Dimble House, Beacon Street, Lichfield.

14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Unrestricted funds				
General Funds - all funds	<u>1,302,698</u>	<u>5,685,783</u>	<u>(5,368,678)</u>	<u>1,619,803</u>
Restricted funds				
Head's Strategic Fund	-	2,589	-	2,589
Chorister Fund	-	896	-	896
Hardship Bursary Fund	-	8,081	-	8,081
MUGA Project	11,668	-	(5,834)	5,834
Arts Council funding	2,830	30,503	(26,802)	6,531
Tim Henman funding	8,502	8,810	(12,061)	5,251
Friends of LCS	5,505	4,530	(10,815)	(780)
	<u>28,505</u>	<u>55,409</u>	<u>(55,512)</u>	<u>28,402</u>
Total of funds	<u>1,331,203</u>	<u>5,741,192</u>	<u>(5,424,190)</u>	<u>1,648,205</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

14. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds				
General Funds	900,664	5,786,177	(5,384,143)	1,302,698
	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds				
MUGA Project	17,501	-	(5,833)	11,668
Arts Council funding	-	7,000	(4,170)	2,830
Tim Henman funding	-	8,502	-	8,502
Friends of LCS	-	8,000	(2,495)	5,505
	<hr/>	<hr/>	<hr/>	<hr/>
	17,501	23,502	(12,498)	28,505
	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	918,165	5,809,679	(5,396,641)	1,331,203
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

MUGA Project

Restricted funding comprising of donations received and expended on the MUGA Project in the year to 31 August 2017.

Arts Council funding

Restricted funding for MusicShare Hub.

Tim Henman funding

Restricted funding received from the Tim Henman Foundation.

Friends of LCS

Restricted funding received from the Friends of LCS.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Summary of funds

Summary of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
General funds	1,302,698	5,685,783	(5,368,678)	1,619,803
Restricted funds	28,505	55,409	(55,512)	28,402
	<u>1,331,203</u>	<u>5,741,192</u>	<u>(5,424,190)</u>	<u>1,648,205</u>

Summary of funds - prior year

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
General funds	900,664	5,786,177	(5,384,143)	1,302,698
Restricted funds	17,501	23,502	(12,498)	28,505
	<u>918,165</u>	<u>5,809,679</u>	<u>(5,396,641)</u>	<u>1,331,203</u>

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	5,834	2,435,205	2,441,039
Current assets	22,568	1,635,232	1,657,800
Creditors due within one year	-	(1,247,503)	(1,247,503)
Creditors due in more than one year	-	(1,203,131)	(1,203,131)
Total	<u>28,402</u>	<u>1,619,803</u>	<u>1,648,205</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	11,668	2,539,769	2,551,437
Current assets	16,837	1,200,252	1,217,089
Creditors due within one year	-	(2,437,323)	(2,437,323)
Total	28,505	1,302,698	1,331,203

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	317,002	413,038
Adjustments for:		
Depreciation charges	128,055	122,931
Loss on the sale of fixed assets	-	11,502
Decrease/(increase) in debtors	173,186	(94,908)
Increase/(decrease) in creditors	(216,061)	86,170
Bank interest received	(813)	(3,562)
Bank and loan interest paid	28,439	17,703
Net cash provided by operating activities	429,808	552,874

18. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	1,561,704	946,368
Total cash and cash equivalents	1,561,704	946,368

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	Other non- cash changes £	At 31 August 2021 £
Cash at bank and in hand	946,368	615,336	-	1,561,704
Debt due within 1 year	(1,043,750)	(230,811)	1,203,131	(71,430)
Debt due after 1 year	-	-	(1,203,131)	(1,203,131)
	<u>(97,382)</u>	<u>384,525</u>	<u>-</u>	<u>287,143</u>

20. Pension commitments

The School's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and a defined contribution scheme for non-teaching staff.

In reference to the defined contribution pension scheme, the assets of the scheme are held separately from those of the School in an independently administered fund. The pension cost charge represents contributions payable by the School to the fund and amounted to £27,295 (2020 - £30,485). Contributions totalling £5,152 (2020 - £5,495) were payable to the fund at the balance sheet date and are included in other creditors.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The pension charge for the year includes contributions payable to the TPS of £478,279 (2020 - £471,372).

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay, including a 0.08% employer administration charge;
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million;
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations; and

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NOTES TO THE FINANCIAL STATEMENTS
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20. Pension commitments (continued)

- the assumed real rate of return is 2.8% in excess of prices and 2% in excess of earnings.

The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The TPS valuation for 2016 determined an employer rate of 23.68%, which was payable from 1 September 2019.

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

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

21. Operating lease commitments

At 31 August 2021 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	164,651	162,760
Later than 1 year and not later than 5 years	517,628	543,575
Later than 5 years	2,660,215	2,775,490
	<u>3,342,494</u>	<u>3,481,825</u>

22. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

23. Related party transactions

Lichfield Cathedral contributed £115,407 (2020 - £137,620) towards the fees of the choristers during the year.

24. Controlling party

The School is controlled by the board of Governors.