DOWNSIDE SCHOOL

England & Wales · Charity number 1184700

Details

Status	Registered
Legal form	Charitable company
Company number	11751009
Registered	2019-07-31
Register	View on the Charity Commission register

Contact

Address	Downside School Stratton-On-The-Fosse Radstock BA3 4RJ
Phone	01761235100
Email	'email.address.to.be.confirmed'@downside.co.uk
Website	https://www.downside.co.uk/

Activities

Objects: FOR THE PUBLIC BENEFIT:1. TO ADVANCE ROMAN CATHOLIC EDUCATION IN THE BENEDICTINE TRADITION AND THE ROMAN CATHOLIC FAITH IN PARTICULAR, BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING, BY RUNNING A SCHOOL KNOWN AS DOWNSIDE SCHOOL; 2. TO ADVANCE EDUCATION BY PROVIDING FACILITIES FOR THE EDUCATION AND TRAINING OF CHILDREN AND YOUNG PEOPLE PROVIDED THAT SUCH PROVISION SHALL BE ANCILLARY OR INCIDENTAL ONLY TO THE RUNNING OF A SCHOOL KNOWN AS DOWNSIDE SCHOOL IN ACCORDANCE WITH THE ABOVE; AND 3. TO SUPPORT THE WORK OF THE GENERAL TRUST.

Activities: Secondary education

Classification

- **How:** Provides Advocacy/advice/information
- **What:** Education/training, Religious Activities
- **Who:** Children/young People

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Geography

- Somerset

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£13,379,834	£11,161,692	£-185,183	190
2023-08-31	£11,538,345	£11,483,485	£-2,418,565	195
2022-08-31	£10,096,950	£10,730,305	£-2,451,825	197
2021-08-31	£4,388,067	£5,563,179	£-1,835,959	188
2021-01-31	£8,866,119	£9,058,046	£-664,363	197

Trustees

Name	Role	Appointed
John Ludlow	Chair	2023-02-01
ALISON CLARE MARTIN FMAAT MBA		2019-01-04
Anne Barrett		2019-11-01
Catherine Mary Terese Hughes		2019-09-01
Dominic Hall		2024-01-02
Jessica Mary Therese Ogilvy-Stuart		2019-09-01
Kieran Colgan		2026-03-31
Robert Jenkins		2022-05-20
Terri Wilcox		2019-09-01

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DOWNSIDE SCHOOL

England & Wales - Charity number 1184700

Accounts

Docusign Envelope ID: 5666F324-B006-4FFE-AD00-7E2775A71206

Company registration number: 11751009
Charity registration number: 1184700

Downside School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2024

Docusign Envelope ID: 5666F324-B006-4FFE-AD00-7E2775A71206

Downside School

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Downside School

Reference and Administrative Details

Governors (also members)	J M Ludlow $#+
	C M Hughes O.B.E #
	A C Martin $
	T J Wilcox #~
	A C G Griffin $
	J M T Ogilvy-Stuart #
	R J G Jenkins $
	A Barrett #
	D Hall $ (appointed 2 January 2024)
	H A H Dickinson # (resigned 16 October 2024)
	Right Rev. Dom N P Wetz # (resigned 16 April 2025)

$ Member of general finance and resources committee
Member of education committee
+ Responsibility for health and safety
~ Responsibility for safeguarding

Head	A Hobbs (resigned 27 June 2025)
Acting Head	M Randall (appointed 27 June 2025)
Clerk to the Governors	V Locke
Charity Registration Number	1184700
Company Registration Number	11751009
Registered Office	Stratton-on-the-Fosse Radstock Somerset BA3 4RJ
Auditors	Crowe U.K. LLP 4th Floor, St. James' House St. James' Square Cheltenham GL50 3PR

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Downside School

Reference and Administrative Details

Bankers	Barclays Bank PLC 4 Queen Street Bath BA1 1HE
Solicitors:	Stone King 13 Queens Square Bath BA1 2HJ

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Downside School

Governors' Report

The Governors of Downside School, who are also the Directors of the School for the purposes of the Companies Act and Trustees for the purposes of the Charities Act, present their annual report and the audited financial statements for the year ended 31 August 2024.

The annual report serves the purpose of both a Trustees' Report and a Directors' Report under company law. The financial statements comply with the Charities Act 2011, the Charities Statement of Recommended Practice (second edition) and the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102).

Reference and adminstrative details

Downside School separated from Downside Abbey General Trust (DAGT), which owned and ran the School, on 11 September 2019. The School maintains a close relationship with DAGT, with which it shares part of the site and some facilities and resources. The legal governance arrangements between the School and DAGT include appropriate and robust provisions for pupil safeguarding.

The Company is limited by guarantee, with registered number 11751009. The School is also a Charity, registered number 1184700. The Governors, executive officers, professional advisers and principal address of the School are listed on page 1.

Structure, governance and management

Nature of governing document

The Charity is governed by its Memorandum and Articles of Association as amended on 22 July 2019.

Recruitment and appointment of Governors

The Board of Governors includes the Abbot of Downside Abbey ex officio (or an individual appointed by him) and one Governor appointed by the Bishop of the Roman Catholic diocese in which any school operated by the Charity is located, plus a minimum of six other Governors. The total number of Governors shall not exceed twelve.

New Governors are appointed by ordinary resolution of the Governors and eligibility is subject to personal competence, specialist skills and availability. New Governors are inducted into the workings of the Charity and the management of the school, including its policies and procedures, at training meetings organised for them by the Chair, the Head, the Burser and the Clerk to the Governors. Governors' training needs are assessed on an individual basis and training is given as appropriate. All Governors are required to undertake mandatory safeguarding training, and they are sent regular guidance notes and information by the Clerk to the Governors.

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Senior personnel are recruited on the basis of national advertisement and selection by Governors and other senior personnel. The Governors' General Finance Committee considers the remuneration of senior personnel where appropriate at their summer term meeting. Consideration is given to benchmarking information, as well as performance and experience in the role.

Organisational structure

The Governors are legally responsible for the overall management and control of the School and meet, either in person or virtually, at least three times a year.

In addition to the meetings of the full governing body there are three sub-committees, each of which meets termly in advance of the respective plenary meeting. The sub-committees are as follows:

- Education Committee (EC);
- General Finance Committee (GFC);
- Estates and Operations Committee (EOC).

The members of each sub-committee are listed on page 1. In addition, there are nominated Governors with specific responsibilities, including:

- Safeguarding (Terri Wilcox);
- Health & Safety (John Ludlow).

The day-to-day running of the School is delegated to the Head, supported by the 'Core Group', which comprises the Deputy Head, Bursar, and Director of Human Resources. The Head attends all Governors' meetings; the Bursar attends all Governors' meetings except the Education Committee; other members of the Core Group, Senior Leadership Team, and wider staff body attend relevant meetings as required.

Governors' indemnities

As permitted by the Articles of Association, the Governors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the financial period and remains in force in the current year. The Company also purchased and maintained throughout the period Governors' and Officers' liability insurance in respect of itself and its Governors.

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Principle risks and their management

The Governors are responsible for the management of the risks faced by the Charity. Detailed consideration of these risks is delegated to the General Finance Committee, which is attended by the Head, Deputy Head and Bursar.

The key controls used by the Charity to ensure that risks are properly identified and managed are:

- Formal agendas for all Committee and Plenary meetings;
- Detailed terms of reference for all Committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies and procedures;
- Clear financial processes, authorisation and approval levels; and
- Vetting procedures as required by law.

The principal risks identified to which the School is exposed are:

- The imposition of Value Added Tax (VAT) on pupils' fees has had, and may continue to have, a negative effect on pupil numbers;
- Global economic and political uncertainty may also adversely affect domestic and international demand for pupil places at the School;
- The School may not be able to raise the funding that it requires for investment in the site and its operations.

The School is mitigating these risks by:

- Opening a new Sixth Form Centre in the former monks' refectory in September 2024 to improve retention post-GCSE;
- Enhancing our marketing and communications in order to attract and retain more pupils;
- Diversifying and expanding our educational offering through English Language Foundation and Immersion courses for international students from September 2025;
- Reducing and controlling operating costs, so as to keep fees as low and competitive as possible without compromising the high quality of education and pastoral care provided to our pupils;
- Developing a business plan and proposals for ownership of the School's property so that the site can be used to its full potential;

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- Raising donations in excess of £2.5m between April 2025 and September 2025 to support the School's ongoing operations, the purchase of its site, and associated developments.

Objects, aims, objectives and activities

Charitable objects

The School's charitable objects are;

1. To advance Roman Catholic education in the Benedictine tradition and the Roman Catholic faith in particular, but without prejudice to the generality of the foregoing, by running a school known as Downside School;

2. To advance education by providing facilities for the education and training of children and young people provided that such provision shall be ancillary or incidental only to the running of a school known as Downside School in accordance with the above;

3. To support the work of Downside Abbey General Trust.

Downside's vision, as a Catholic and Benedictine school with Christ at its centre, is to be a bright light in education and to inspire service in our world.

Our mission is to provide a secure, happy and inclusive environment where children develop the inner confidence and self-esteem necessary to flourish in our rapidly changing world. Whilst we protect and nurture our children, we also challenge and extend them in order to build their ability to thrive as adults in the future.

We strive to ensure that individuals' minds are broadened, and perspectives widened. We encourage learning, independence of thought and the cultivation of self-belief, skills, wisdom and curiosity.

We prepare our pupils to live life to the full, encouraging them to act responsibly and thoughtfully and to embrace, with energy and enthusiasm, the great opportunities that lie ahead. It is our sincere desire that each child will use their compassion, knowledge, passions and energies to make the world a better place – and believe they can do so. Every child has an inherent value, which is exceptional and exclusive to them.

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Public benefit aims and intended impact

The Trustees confirm that they have complied with their duty under section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

The School makes generous provision for children from families who would not otherwise be able to afford our fees to benefit from the excellent education that we offer. During the year £2,625,263 (2023: £2,624,705) was given in scholarships, bursaries and other fee assistance. This amounts to 22.3% of gross fees (2023: 22.3%).

A total of 18 pupils received means-tested bursaries of 85% or more, with 5 pupils receiving 100%, 7 on 95% and 3 on 90% fee remission (with the School additionally providing support to several of these families with the purchase of uniforms, school trips, travel and other items to enable full participation in the life of the School). Such awards are truly transformational for the pupils, their families and the wider community.

As an educational provider, we actively support and promote the attainment of high standards in academic achievement, curriculum development and pastoral care. We nurture and encourage our pupils to realise their potential as contributors to society, developing character, moral courage, integrity and service to others. In sport we foster high standards, both in performance and sportsmanship. In performing arts and across a wide range of extra-curricular activities, we give children an appreciation of the 'poetry of life' and a sense of its beauty, form, mystery and joy.

Since September 2022 the School has developed and run a full calendar of events to welcome pupils from local schools, giving them access to our extensive facilities and specialist teachers, and providing an opportunity for Downside pupils to support the younger children in their learning. Over the past 2 years we have welcomed over 1,500 pupils from 14 local schools to 28 whole-day activities including:

- Forensic detectives (pupils collect, survey and catalogue evidence from a 'crime scene');
- Art and design technology (creating pieces of art using different techniques including book binding and printmaking as well as creating the 'Tower of Downside' puzzle using resistant material in the Design Workshop);
- Choral workshops (learning different songs and giving a performance in the Abbey Church);
- Languages (introduction to modern languages involving quizzes, treasure hunts and Christmas cards);
- Musical Theatre (learning a song, dance routine and improvisation on our theatre stage);
- Debating (researching characters using the library and taking part in a balloon debate);

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- Outdoor adventure (bushcraft, teambuilding, archery and basic Combined Cadet Force (CCF) skills); and
- Sports masterclass (introduction to hockey, rugby and netball).

The days are hosted, managed, staffed and catered at no cost to the visiting school. They are led by specialist staff who have volunteered their time and include free transportation to and from Downside. Each event also includes a guided tour of the Abbey Church by our Chaplain, with a brief history of the church and its architecture.

The School also contributes to the Camino Partnership of Catholic Schools in the southern part of the Diocese of Clifton to promote Catholic education. The partnership provides a network of support to fellow schools and shares expertise from Chaplaincy and the teaching of religious studies to Heads and Governors of schools.

Pupils participate in a number of community service activities, including a weekly soup run in Bath with Help for Homeless, which involves handing out hot food, sanitary products and clothing. They also take part in an annual overnight sleepout to raise awareness and funds for the charity.

The School routinely raises funds in support of Mary's Meals and CAFOD. In addition, each House chooses its own local, national or international charity for further fundraising activities.

Wider benefits to the economy

The Independent Schools Council (ISC) and Oxford Economics provide a tool for schools to assess their impact on the national and local economy. The calculations for Downside School for the year are:

- Contribution to UK GDP: £14.1 million;
- Of which, contribution to Mendip local authority GDP: £8.6 million;
- Number of UK jobs supported by the School's activities: 299;
- Of which, number of jobs in the Mendip local authority area: 218;
- UK tax supported by the School's activities: £3.6 million;
- Additional savings to the UK taxpayer: £1.5 million.

The additional savings to the UK taxpayer highlighted above are based on the 218 pupils in the school (British or EEA nationals with parents resident in the UK) who would otherwise be entitled to take up a free UK state school place.

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Downside School

Governors' Report

Objectives for the year

The Charity's overarching vision, as a Catholic and Benedictine school with Christ at its centre, is to be a bright light in education and to inspire service in our world.

The four key principles that guide us in determining our objectives are:

- Our purpose is to awaken and nurture a lifelong commitment to learning and growing (conversatio morum - Rule of St. Benedict);
- We challenge the transactional and utilitarian view of education;
- The relationship between the family and the School is one of dedicated and accountable partners;
- We need specific and measurable results to indicate how well the partnership is working.

These principles are derived from the parable of the talents, which is our model for gauging performance; and the parables of the lost sheep and the prodigal son, which underpin our pastoral care.

In furtherance of these principles our objectives for the year were to:

- continue to build a strong faith-based culture that challenges our pupils to make their unique contribution to society;
- establish a programme of staff retreats to underpin the Catholic and Benedictine culture of the School;
- embed the Relationship and Sex Education (RSE) programme so that respect is at the heart of every relationship in our community;
- work with the wider Downside Community to provide one fully-funded academic scholarship in each year group by 2026;
- strengthen the School's financial controls and reporting to ensure that it is operating as efficiently and effectively as possible.

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Academic results

Downside is proud to be academically non-selective. Nevertheless the 2024 A-level grades (39 % A*/A and 65% A*-B) and GCSE results (46% 9-7 and 94% 9-4) show that our pupils performed extremely well.

We encourage our pupils to pursue the subjects they are passionate about studying, rather than promoting subject choices solely with an eye on the likely outcome. Nevertheless, over 21% achieved straight A or A* passes in 3 or 4 subjects. In Latin and Greek, all achieved A* grades.

Almost all pupils secured a place at their first-choice university, including one pupil who secured a place at Leeds to read Medicine with 4 A* grades, 3 in natural sciences and the 4th in Classical Greek. Another pupil, with straight A*s, won a place to read Classics at Oxford.

Other destinations included Warwick, Bristol, Glasgow, Newcastle, Durham, Cardiff, London School of Economics, York, Bath, St Andrews, Edinburgh, Exeter and elsewhere. Subjects include Modern Languages, Criminology, Arabic, Nursing, Real Estate, Sports Management, Physiotherapy, History of Art, Psychology, Computer Science, Archaeology and Anthropology. We are also delighted that one of this year's cohort secured a prestigious degree apprenticeship place in Wealth Management at UBS.

Of the Lower Sixth pupils who submitted an EPQ this year, all achieved an A* or A grade, with one pupil scoring full marks for a complete musical, including libretto, score and script - an extraordinary accomplishment.

In GCSEs, over a quarter of the grades gained by our pupils were 8 or 9, with nearly half being a grade 7 or above. One pupil achieved straight grade 9s across all ten of their subjects, and two more gained nine grade 9s and two grade 8s in their eleven subjects.

Financial review

The Charity achieved a surplus for the year of £2,233,383 (2023: £33,260).

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Reserves policy

As at 31 August 2024 the Balance Sheet showed net liabilities of £185,182 (2023: net liabilities £2,418,565). This is largely due to DAGT having repaid an outstanding loan on behalf of the School, the outstanding balance for which was £2,528,623.

The School has no free reserves. This is typical of many independent schools due to the need for continuing expenditure from retained reserves to support our charitable objects. The School's policy over time is to build up resources by means of annual operating surpluses, balanced against the need to continue investing in its facilities and infrastructure.

Investment policy

The School has a beneficial interest in shares in Telecom Plus PLC to the value of £110,640 as at 31 August 2024 (2023: £95,400). These are held in the name of DAGT and stated as transferred to the School under the terms of the Separation Agreement.

Going concern

The Governors have prepared the financial statements on a going concern basis as, in their opinion, the School is able to meet its obligations as they fall due.

The School continues to face challenges brought about by the onset and introduction of VAT on fees from January 2025, and the consequent drop in pupil numbers. This is compounded by significant increases in expenditure caused by the loss of Mandatory Business Rates Relief and a substantial rise in Employers' National Insurance liability from April 2025. To mitigate these, the School has undertaken a comprehensive review of staffing and expenditure, with over £1m of savings planned for the forthcoming year. These can be achieved without adversely affecting the high levels of service that our parents and pupils rightly expect.

We have also taken steps to increase pupil recruitment and retention, including opening a new sixth from centre in September 2024 to help retain more pupils post-GCSE and attract local day pupils. Longer-term plans to diversify income streams and unlock the potential of the school site are detailed below. A fundraising appeal in support of this was launched on 12 August 2025 and pledges and donations totalling over £800k had been received within 2 weeks.

Governors acknowledge that as a result of all the factors mentioned above, a material uncertainty exists that may cast doubt on the School's ability to continue as a going concern. However, having considered all of the circumstances and mitigating actions, the Governors consider it appropriate that the accounts are prepared on a going concern basis.

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Plans for future periods

Aims and key objectives for future periods

There are no plans to alter the Charity's objects or strategic aims.

The Community of St Gregory the Great announced in March 2025 that they would shortly be moving to Hereford to begin exploring the possibility of a union with Belmont Abbey. The Monks, whilst remaining committed to owning and caring for the Downside Abbey Church and Library, indicated that they would like to sell other parts of the Estate, including the former monastery, and the land and freehold of Downside School.

This represents an exciting opportunity for the School to acquire its own freehold and other assets, allowing it to unlock the enormous potential of the wider site in order to bolster its financial resilience and diversify income streams. DAGT has indicated that it is willing to sell to the School at a very significant discount to the open market value and a fund-raising initiative has been launched. This has received a very positive response and substantial donations from the Old Gregorian (OG) and wider community, as well as interest from potential investors and funders.

Disclosure of information to auditor

Each Governor has taken steps that they ought to have taken as a Governor in order to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information. The Governors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the Governors of the charity on 28 September 2025 and signed on its behalf by:

Signed by:
John Ludlow
F55292F45996422...

J M Ludlow
Governor

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Downside School

Statement of Governors' Responsibilities

The Governors (who are also the directors of Downside School for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with 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".

Company law requires the Governors to prepare financial statements for each financial year. 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 charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

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

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Governors of the charity on 28 September 2025 and signed on its behalf by:

Signed by:
John Ludlow
F55292F45996422...

J M Ludlow
Governor

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Downside School

Independent Auditor's Report to the Members of Downside School

Opinion

We have audited the financial statements of Downside School (the 'charity') for the year ended 31 August 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 charity's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Material uncertainty related to going concern

We draw attention to the disclosures made in note 1 to the financial statements concerning the School's ability to continue as a going concern. The School continues to face challenges, including managing its cash flows and maintaining pupil numbers. The School's performance and cash position continue to be closely monitored and management continually consider cost saving measures along with maintaining a robust fee debtor collection process in order to ensure the School can continue to meet its obligations as they fall due. As stated in note 1, these events or conditions, along with other matters as set forth in note 1, indicate that a material uncertainty exists that may cast significant doubt on the School's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

We have nothing to report in this regard.

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Downside School

Independent Auditor's Report to the Members of Downside School

Opinion on other matter 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, which includes the Governors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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.

Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities (set out on page 13), 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.

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Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the school's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014.

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We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within fee scholarships, bursaries and discounts and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing fee scholarships, bursaries and discounts, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and the Independent Schools Inspectorate, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing noncompliance and cannot be expected to detect non-compliance with all laws and regulations.

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

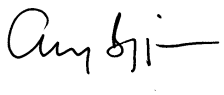
Use of our report

This report is made solely to the charitable company's Governors, 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 Governors 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 Governors as a body, for our audit work, for this report, or for the opinions we have formed.

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Downside School

Independent Auditor's Report to the Members of Downside School



.....
Guy Biggin (Senior Statutory Auditor)
For and on behalf of Crowe U.K. LLP, Statutory Auditor
4th Floor, St. James' House
St. James' Square
Cheltenham
GL50 3PR

Date: 08 October 2025

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Downside School

Statement of Financial Activities for the Year Ended 31 August 2024
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 31 August 2024 £
Income and Endowments from:				
Donations and legacies	3	3,165,460	563	3,166,023
Charitable activities	2	9,585,943	-	9,585,943
Other trading activities	5	173,218	-	173,218
Investment income		46,781	-	46,781
Other income	6	421,864	-	421,864
Total income		13,393,266	563	13,393,829
Expenditure on:				
Raising funds		(491,513)	-	(491,513)
Charitable activities	7	(10,665,429)	(18,744)	(10,684,173)
Total expenditure		(11,156,942)	(18,744)	(11,175,686)
Gains/losses on investment assets		15,240	-	15,240
Net income/(expenditure)		2,251,564	(18,181)	2,233,383
Transfers between funds		68	(68)	-
Net movement in funds		2,251,632	(18,249)	2,233,383
Reconciliation of funds				
Total funds brought forward		(2,555,436)	136,871	(2,418,565)
Total funds carried forward	18	(303,804)	118,622	(185,182)

The notes on pages 26 to 42 form an integral part of these financial statements.

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Downside School

Statement of Financial Activities for the Year Ended 31 August 2024
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 31 August 2023 £
Income and Endowments from:				
Donations and legacies	3	993,325	277,180	1,270,505
Charitable activities	2	9,635,711	-	9,635,711
Other trading activities	5	149,881	-	149,881
Investment income		4,596	-	4,596
Other income	6	477,652	-	477,652
Total income		11,261,165	277,180	11,538,345
Expenditure on:				
Raising funds		(328,571)	-	(328,571)
Charitable activities	7	(11,153,614)	(1,300)	(11,154,914)
Total expenditure		(11,482,185)	(1,300)	(11,483,485)
Gains/losses on investment assets		(21,600)	-	(21,600)
Net (expenditure)/income		(242,620)	275,880	33,260
Transfers between funds		265,634	(265,634)	-
Net movement in funds		23,014	10,246	33,260
Reconciliation of funds				
Total funds brought forward		(2,578,450)	126,625	(2,451,825)
Total funds carried forward	18	(2,555,436)	136,871	(2,418,565)

All of the charity's activities derive from continuing operations during the above two periods.

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Downside School

(Registration number: 11751009)
Balance Sheet as at 31 August 2024

	Note	31 August 2024 £	31 August 2023 £
Fixed assets			
Tangible assets	10	2,181,235	2,236,843
Investments	11	110,640	95,400
		2,291,875	2,332,243
Current assets			
Stocks	12	119,576	124,316
Debtors	13	1,343,462	2,430,088
Cash at bank and in hand		2,284,555	966,277
		3,747,593	3,520,681
Creditors: Amounts falling due within one year	14	(5,867,368)	(8,271,489)
Net current liabilities		(2,119,775)	(4,750,808)
Total assets less current liabilities		172,100	(2,418,565)
Creditors: Amounts falling due after more than one year	16	(357,282)	-
Net liabilities		(185,182)	(2,418,565)
Funds of the charity:			
Restricted income funds			
Restricted funds		118,622	136,871
Unrestricted income funds			
Unrestricted funds		(303,804)	(2,555,436)
Total funds		(185,182)	(2,418,565)

The notes on pages 26 to 42 form an integral part of these financial statements.

Docusign Envelope ID: 5666F324-B006-4FFE-AD00-7E2775A71206

Downside School

(Registration number: 11751009)
Balance Sheet as at 31 August 2024

The financial statements on pages 20 to 42 were approved by the Governors, and authorised for issue on 28 September 2025 and signed on their behalf by:

Signed by:
John Ludlow
F55292F43996422...

J M Ludlow
Governor

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Downside School

Statement of Cash Flows for the Year Ended 31 August 2024

	Note	31 August 2024 £	31 August 2023 £
Cash flows from operating activities			
Net cash income		2,233,383	33,260
Adjustments to cash flows from non-cash items			
Depreciation		299,816	326,442
Revaluation of investments		(15,240)	21,600
		2,517,959	381,302
Working capital adjustments			
Decrease in stocks	12	4,740	1,140
Decrease/(increase) in debtors	13	1,086,626	(1,510,761)
(Decrease)/increase in creditors	14	(239,471)	277,778
Increase in deferred income	16	613,974	1,241,224
Net cash flows from operating activities		3,983,828	390,683
Cash flows from investing activities			
Purchase of tangible fixed assets	10	(248,158)	(452,807)
Sale of tangible fixed assets		3,950	952
Net cash flows from investing activities		(244,208)	(451,855)
Cash flows from financing activities			
Value of new loans obtained during the period		-	500,000
Repayment of loans and borrowings	14	(2,421,342)	(500,000)
Net cash flows from financing activities		(2,421,342)	-
Net increase/(decrease) in cash and cash equivalents		1,318,278	(61,172)
Cash and cash equivalents at 1 September 2023		966,277	1,027,449
Cash and cash equivalents at 31 August 2024		2,284,555	966,277

The notes on pages 26 to 42 form an integral part of these financial statements.

Docusign Envelope ID: 5666F324-B006-4FFE-AD00-7E2775A71206

Downside School

Statement of Cash Flows for the Year Ended 31 August 2024

	31 August 2024 £	31 August 2023 £
Reconciliation of net cash flow to movement in net funds		
Increase/(decrease) in cash	1,318,278	(61,172)
Net funds at 1 September 2023 (2022)	966,277	1,027,449
Net funds at 31 August 2024 (2023)	2,284,555	966,277

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 26 to 42 form an integral part of these financial statements.

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1 Accounting policies

Company information

Downside School is a charity, registered number 1184700, is a Public Benefit Entity registered as a Charity in England and Wales and is a Company Limited by Guarantee.

The accounting polices of the School, which have been applied consistently throughout the year, are listed below.

Going concern

The Governors have prepared the financial statements on a going concern basis as, in their opinion, the School is able to meet its obligations as they fall due.

The School continues to face challenges brought about by the onset and introduction of VAT on fees from January 2025, and the consequent drop in pupil numbers. This is compounded by significant increases in expenditure caused by the loss of Mandatory Business Rates Relief and a substantial rise in Employers' National Insurance liability from April 2025. To mitigate these, the School has undertaken a comprehensive review of staffing and expenditure, with over £1m of savings planned for the forthcoming year. These can be achieved without adversely affecting the high levels of service that our parents and pupils rightly expect.

We have also taken steps to increase pupil recruitment and retention, including opening a new sixth from centre in September 2024 to help retain more pupils post-GCSE and attract local day pupils. Longer-term plans to diversify income streams and unlock the potential of the school site are detailed below. A fundraising appeal in support of this was launched on 12 August 2025 and pledges and donations totalling over £800k had been received within 2 weeks.

Governors acknowledge that as a result of all the factors mentioned above, a material uncertainty exists that may cast doubt on the School's ability to continue as a going concern. However, having considered all of the circumstances and mitigating actions, the Governors consider it appropriate that the accounts are prepared on a going concern basis.

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Basis of accounting

The financial statements have been prepared in accordance with the 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)) (issued in January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Incoming resources

Income is recognised in the period in which the School is entitled to receipt and the amount can be measured with reasonable certainty.

Fees receivable and charges for services and use of the premises are accountable for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School. The School offers means tested bursaries and scholarships which carry a monetary value of remission which is deducted from gross fees. Discounts are also offered to siblings of current pupils, military families and pupils whose parents and grandparents previously attended the School.

Donations and legacies

Donations and any associated income tax reclaimable from HM Revenue and Customs are recognised on a receivable basis. Donations received for the general purpose of the Charity are credited to unrestricted funds. Donations subject to specific wishes are carried to relevant restricted funds.

Legacies are accounted for as they are received or if, before receipt, it becomes reasonably certain that the legacy will be received and the value of the legacy can be measured with reasonable certainty.

Resources expended

Resources expended are accounted for in the period in which they are incurred. Any irrecoverable element of Value Added Tax is included with the item of expense to which is relates.

Where an item of expenditure falls directly within one cost category, it is attributed to that category only. Where expenditure involves more than one category, it is apportioned on a reasonable and justifiable basis.

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Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses.

Tangible fixed assets

Tangible assets are held on the balance sheet at cost less accumulated depreciation. Cost includes the purchase price of the asset plus all costs incurred in bringing the asset in to use. Subsequent expenditure is capitalised where it extends the life or increases the value of the asset.

Depreciation and amortisation

Tangible fixed assets are depreciated on a straight line basis over the following periods:

Asset class	Depreciation method and rate
Equipment, fixtures and fittings	3 to 20 years straight line
Motor vehicles	5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The freehold land and buildings of the School were revalued in 1980. The governors are of the opinion that the current open market value on an existing use basis is in excess of book value.

The School has taken advantage of the transitional arrangements of FRS 102 - Section 17 Property, Plant and Equipment not to update its valuation of land and buildings.

Listed investments

Investments are shown in the balance sheet at market value at the balance sheet date.

Realised and unrealised gains and losses on investment assets are included in the Statement of Financial Activities in the year in which they arise. Investment income is credited to income on an accruals basis.

Trade debtors

Debtors are recognised at the corresponding transaction value.

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Trade creditors

Creditors are recognised where the School has a present obligation which results from a past event that in all probability, will result in the transfer of funds to a third party and the amount due to settle the obligation can be reliably measured.

Deferred income

The School offers parents the opportunity to pay for up to five years tuition fees in advance in accordance with a written contract. This is treated as deferred income until the pupil joins the School whereupon, the fee for each School term are charged against the remaining balance and taken to income. All amounts are included within creditors due within one year as the amounts are repayable on demand if the pupil leaves.

Retirement benefits

Prior to 31 December 2020, the School contributed to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. That Scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS 17, the Scheme has been accounted for as a defined contribution scheme.

The School exited the Teachers' Pension Scheme with effect from 31 December 2020 and a new defined contribution scheme with Aviva has been provided in its place.

All other pension arrangements are defined contribution schemes where the assets of the schemes are held separately from those of the School in an independently administered fund.

In all cases, the pension cost charges represent contributions payable by the School to the fund.

Charitable funds

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

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

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Critical accounting judgements and estimation uncertainty

The following are considered to be critical accounting judgements made in applying the School's accounting policies:

The following significant estimates and assumptions have been made in applying the School's accounting policies:

The annual depreciation charge for fixed assets is sensitive to changes in the estimated useful economic lives of assets. Estimated lives are reassessed annually and considered to reflect the remaining life of an asset.

The School makes an estimate of the recoverable value of trade and other debtors. Factors such as the ageing profile of the debtors and historical experience are taken into account. Bad debts are considered on a case by case basis by taking into account the likelihood of recovery. Debts are written off by approval of the Governors if this is deemed appropriate.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

2 Income from charitable activities

	Unrestricted funds	31 August 2024	31 August 2023
	£	£	£
Fee income	9,585,943	9,585,943	9,635,711

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Fee income comprises of the following:

	31 August 2024 £	31 August 2023 £
Gross fees	11,789,169	11,787,849
Less: total scholarships, bursaries and fee assistance	(2,639,258)	(2,624,705)
Add: Scholarship paid for from restricted funds	13,995	-
Other fee income	404,768	452,836
Registration fees	17,269	19,731
	9,585,943	9,635,711

3 Donations and legacies

	Unrestricted funds £	Restricted £	31 August 2024 £	31 August 2023 £
Donations and gifts	3,165,460	563	3,166,023	1,270,505
	3,165,460	563	3,166,023	1,270,505

4 Net expenditure

The net expenditure for the period is stated after charging:

	31 August 2024 £	31 August 2023 £
Depreciation	299,816	326,442
Auditors remuneration	24,066	42,175
Loan interest	109,219	166,593
Bank charges	16,725	20,676
Bad debt provision	58,787	190,059
	508,613	745,945

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5 Income from other trading activities

	Unrestricted funds £	31 August 2024 £	31 August 2023 £
Trading income;			
School shop	115,534	115,534	102,075
Pitch and nets hire	9,916	9,916	2,873
Events income;			
Shows and events	520	520	1,740
Other commercial income	47,248	47,248	40,321
Recharges to Downside Abbey General Trust	-	-	2,872
	173,218	173,218	149,881

6 Other income

	Unrestricted funds £	31 August 2024 £	31 August 2023 £
Cafe takings	25,477	25,477	22,537
Rental income	388,758	388,758	389,396
Other income	-	-	2,884
Sundry income	7,051	7,051	62,247
Interest on overdue accounts	578	578	588
	421,864	421,864	477,652

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7 Expenditure on charitable activities

	Teaching	Welfare	Premises	Support	Total 31 August 2024	Total 31 August 2023
Staff costs	4,243,333	876,392	414,501	1,092,626	6,626,852	6,559,585
Expenditure on raising funds	-	-	-	489,313	489,313	314,082
Depreciation and impairment	-	-	299,816	-	299,816	315,713
Other costs	594,741	1,126,642	1,026,178	906,164	3,653,725	4,182,399
Governance costs	-	-	-	105,980	105,980	111,706
	4,838,074	2,003,034	1,740,495	2,594,083	11,175,686	11,483,485
Analysis by fund						
Unrestricted funds	4,838,074	2,003,034	1,740,495	2,594,083	11,175,686	-
31 August 2023						
Unrestricted funds	4,671,296	2,254,043	1,858,547	2,699,599	-	11,483,485

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds £	31 August 2024 £	31 August 2023 £
Audit fees			
Audit of the financial statements	24,066	24,066	42,175
Legal and professional fees	80,814	80,814	67,481
Governors expenses	1,100	1,100	2,050
	105,980	105,980	111,706

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9 Staff costs

The aggregate payroll costs were as follows:

	31 August 2024 £	31 August 2023 £
Staff costs during the year were:		
Wages and salaries	5,439,033	5,362,250
Social security costs	503,840	502,004
Pension costs	561,079	563,223
Other staff costs	122,900	132,108
	6,626,852	6,559,585

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was as follows:

	31 August 2024 No	31 August 2023 No
Teaching	56	67
Other	137	128
	193	195

Key management personnel of the School are deemed to be the Senior Leadership Team. The total amount paid to key management personnel, including employers pension, National Insurance contributions and any benefits in kind was £518,064 (2023 - £519,578).

The Governors received no remuneration.

Governors were reimbursed travel and training expenses totalling £1,100 (2023 - £2,050).

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The number of employees whose emoluments fell within the following bands was:

	31 August 2024 No	31 August 2023 No
£60,001 - £70,000 per annum	5	7
£70,001 - £80,000 per annum	2	1
£80,001 - £90,000 per annum	1	-
£130,001 - £140,000 per annum	1	1

During the year termination payments were made totalling £2,100 (2023 - £14,700).

10 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 September 2023	429,401	3,206,139	4,000	3,639,540
Additions	171,522	73,299	3,337	248,158
Disposals	-	(12,225)	-	(12,225)
At 31 August 2024	600,923	3,267,213	7,337	3,875,473
Depreciation				
At 1 September 2023	8,019	1,391,811	2,867	1,402,697
Charge for the year	3,508	295,119	1,189	299,816
Eliminated on disposals	-	(8,275)	-	(8,275)
At 31 August 2024	11,527	1,678,655	4,056	1,694,238
Net book value				
At 31 August 2024	589,396	1,588,558	3,281	2,181,235
At 31 August 2023	421,382	1,814,328	1,133	2,236,843

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11 Fixed asset investments

	31 August 2024 £	31 August 2023 £
Other investments	110,640	95,400

Other investments

	Listed investments £	Total £
Valuation		
At 1 September 2023	95,400	95,400
Revaluation	15,240	15,240
At 31 August 2024	110,640	110,640

The listed investment represents a beneficial interest in 6,000 shares held in Telecom Plus PLC.

12 Stock

	31 August 2024 £	31 August 2023 £
School shop	119,576	124,316

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13 Debtors

	31 August 2024 £	31 August 2023 £
Trade debtors	904,024	1,741,808
Prepayments and accrued income	407,704	414,777
Other debtors	31,734	273,503
	1,343,462	2,430,088

Trade debtors above are stated net of bad debt provisions totalling £265,846 (2023 - £302,419).

14 Creditors: amounts falling due within one year

	31 August 2024 £	31 August 2023 £
Bank borrowings	-	2,421,342
Trade creditors	431,610	428,456
Other taxation and social security	199,471	256,333
Other creditors	1,381,098	1,659,274
Accruals	60,469	325,338
Fees in advance	2,657,637	3,057,789
Advance fees scheme	1,137,083	122,957
	5,867,368	8,271,489

Fees received under the Advance fees scheme will be applied as follows:

	31 August 2024 £	31 August 2023 £
Less than 1 year	1,137,083	101,698
Within 1 to 2 years	287,473	21,259
Within 2 to 5 years	69,809	-
	1,494,365	122,957

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The advanced fees balance represents the accrued liability under the contracts. Capital movements during the period were:

	31 August 2024 £	31 August 2023 £
Balance brought forward	122,957	281,821
New contracts	1,442,088	-
Amounts utilised	(70,680)	(158,864)
	1,494,365	122,957

15 Taxation

The School is a registered charity and as such, is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the School's primary objectives if these profits and surpluses are applied solely for charitable purposes.

16 Creditors: amounts falling due after one year

	31 August 2024 £
Advance fees scheme	357,282

17 Obligations under leases and hire purchase contracts

The annual commitments under non-cancellable operating leases were:

	31 August 2024 £	31 August 2023 £
Land and buildings		
Within one year	55,300	416,566
Between one and five years	1,700,000	1,700,000
After five years	49,016,664	49,299,998
	50,771,964	51,416,564

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	31 August 2024 £	31 August 2023 £
Fixtures and fittings		
Within one year	67,500	41,579
Between one and five years	108,553	50,472
After five years	12,624	-
	188,677	92,051

Operating leases for land and buildings principally relate to the long term lease granted by Downside Abbey General Trust for the School premises.

18 Funds

	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2024 £
Unrestricted funds					
Unrestricted funds	(2,555,436)	13,408,506	(11,156,942)	68	(303,804)
Restricted funds					
Sill Organ Scholarship	126,625	563	(18,744)	-	108,444
Piano Fund	68	-	-	(68)	-
Rose Enrichment Fund	10,178	-	-	-	10,178
Total restricted funds	136,871	563	(18,744)	(68)	118,622
Total funds	(2,418,565)	13,409,069	(11,175,686)	-	(185,182)

Docusign Envelope ID: 5666F324-B006-4FFE-AD00-7E2775A71206

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2023 £ (As restated)
Unrestricted funds					
Unrestricted funds	(2,578,450)	11,261,165	(11,503,785)	265,634	(2,555,436)
Restricted					
Sill Organ Scholarship	126,625	-	-	-	126,625
Piano Fund	-	265,702	-	(265,634)	68
Rose Enrichment Fund	-	11,478	(1,300)	-	10,178
Total restricted funds	126,625	277,180	(1,300)	(265,634)	136,871
Total funds	(2,451,825)	11,538,345	(11,505,085)	-	(2,418,565)

19 Analysis of net liabilities between funds

	Unrestricted funds £	Restricted funds £	Total funds 31 August 2024 £
Tangible fixed assets	2,181,235	-	2,181,235
Fixed asset investments	110,640	-	110,640
Net current assets	(2,238,397)	118,622	(2,119,775)
Creditors over 1 year	(357,282)	-	(357,282)
Total net liabilities	(303,804)	118,622	(185,182)

	Unrestricted funds £	Restricted funds £	Total funds 31 August 2023 £
Tangible fixed assets	2,236,843	-	2,236,843
Fixed asset investments	95,400	-	95,400
Net current assets	(4,887,679)	136,871	(4,750,808)
Total net liabilities	(2,555,436)	136,871	(2,418,565)

Docusign Envelope ID: 5666F324-B006-4FFE-AD00-7E2775A71206

20 Pension and other schemes

The School has participated in the following pension scheme:

a) Defined contribution pension schemes, the assets of which are held separately from those of the School in independently administered funds.

The total pension cost charge represents contributions payable by the School to these schemes as follows:

	31 August 2024 £	31 August 2023 £
Defined contribution schemes	561,079	563,223

The following amounts had not been paid to the schemes at the year-end:

	31 August 2024 £	31 August 2023 £
Defined contribution schemes	78,737	79,027

21 Contingent assets

In the previous year, as part of the School's separation Agreement, Downside Abbey General Trust (DAGT) undertook to contribute funds towards maintenance works to be carried out on the School estate. These works were capped at £4 million, with payments receivable as works were carried out. However, in order to support the School as it recovers from the COVID pandemic and seeks to re-establish profitability and positive cash flow, Downside Abbey General Trust has formerly agreed to repurpose this contribution in the form of actual donations of £1 million and reduced rent of premises from £425,000 to £212,500 annually up to 31 December 2023. It has further undertaken to meet all interest and principal repayment obligations from 1 September 2023 under the loan in the School's name and to arrange its repayment in full by August 2024, of which £2.4 million was outstanding.

The bank loan was repaid by the DAGT in full on 26 March 2024.

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22 Financial instruments

Financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are valued at fair value. Financial assets held at amortised cost comprising cash at bank and in hand, together with trade and other debtors and fee debtors. A specific provision is made for debts where recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise of all creditors except social security and other taxes and provisions.

Financial assets held at amortised costs total £3,220,312 (2023 - £2,981,588) and held at fair value total £110,640 (2023 - £95,400).

Financial liabilities held at amortised costs total £6,025,179 (2023 - £8,015,156).

23 Related party transactions

During the year ended 31 August 2024, transactions totalling £528,483 (2023 - £632,759) were paid to Downside Abbey General Trust (DAGT) where Right Rev. Dom Nicholas P Wetz is a Trustee and controller of the Trust. The charges relate to services provided to the School and were charged at market value.

During the year ended 31 August 2024, no costs were recharged to DAGT (2023 - £13,893)

During the year, the School received £2,934,074 (2023 - £nil) in donations from DAGT.

The School reimbursed travelling expenses to three Governors totalling £845 (2023 - two Governor's totalling £1,162) during the year.

The School paid a total of £255 (2023 - £2,050) in Governors expenses, during the year for the benefit of all Governors.

DOWNSIDE SCHOOL

England & Wales - Charity number 1184700

Accounts

DocuSign Envelope ID: E103F492-42A3-4027-BB07-189687537C43

Company registration number: 11751009

Charity registration number: 1184700

Downside School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2023

DocuSign Envelope ID: E103F492-42A3-4027-BB07-189687537C43

Downside School

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Downside School

Reference and Administrative Details

Governors (also members)	J M Ludlow (Chair from 30 January 2023) $#+
	M F T Bernard (Chair from 29 April 2022) $# (resigned 30 January 2023)
	Very Rev Dom N P Wetz #
	C M Hughes O.B.E #
	H A H Dickinson #
	A C Martin $
	T J Wilcox #~
	A C G Griffin $
	J M T Ogilvy-Stuart #
	R J G Jenkins $
	A Barrett # (appointed 1 February 2023)
	A Lynch # (appointed 3 September 2022 and resigned 20 August 2023)
	D Hall $ (appointed 2 January 2024)

$ Member of general finance and resources committee
Member of education committee
+ Responsibility for health and safety
~ Responsibility for safeguarding

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Downside School

Reference and Administrative Details

Head	A Hobbs
Clerk to the Governors	V Locke
Charity Registration Number	1184700
Company Registration Number	11751009
Registered Office	Stratton-on-the-Fosse Radstock Somerset BA3 4RJ
Auditors	Crowe U.K. LLP 4th Floor, St. James' House St. James' Square Cheltenham GL50 3PR
Bankers	Barclays Bank PLC 4 Queen Street Bath BA1 1HE
Solicitors:	Stone King 13 Queens Square Bath BA1 2HJ

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Downside School

Governors' Report

The Governors of Downside School, who are also the Directors of the School for the purposes of the Companies Act and Trustees for the purposes of the Charities Act, present their annual report and the audited financial statements for the year ended 31 August 2023.

The annual report serves the purpose of both a Trustees' Report and a Directors' Report under company law. The financial statements comply with the Charities Act 2011, the Charities Statement of Recommended Practice (second edition) and the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102).

Reference and Administrative Details

Downside School separated from Downside Abbey General Trust (DAGT), which owned and ran the School, on 11 September 2019. The School maintains a close relationship with DAGT, with which it shares part of the site and some facilities and resources. The legal governance arrangements between the School and DAGT include appropriate and robust provisions for pupil safeguarding.

The Company is limited by guarantee, with registered number 11751009. The School is also a Charity, registered number 1184700. The Governors, executive officers, professional advisers and principal address of the School are listed on page 1.

Structure, governance and management

Nature of governing document

The Charity is governed by its Memorandum and Articles of Association as amended on 22 July 2019.

Recruitment and appointment of Governors

The Board of Governors includes the Abbot of Downside Abbey ex officio (or an individual appointed by him) and one Governor appointed by the Bishop of the Roman Catholic diocese in which any school operated by the Charity is located, plus a minimum of six other Governors. The total number of Governors shall not exceed twelve.

New Governors are appointed by ordinary resolution of the Governors and eligibility is subject to personal competence, specialist skills and availability. New Governors are inducted into the workings of the Charity and the management of the school, including its policies and procedures, at training meetings organised for them by the Chairman, the Head and the Clerk to the Governors. Governors' training needs are assessed on an individual basis and training is given as appropriate. All Governors are required to undertake mandatory Safeguarding training, and they are sent regular guidance notes and information from the Association of Governing Bodies in Schools (AGBIS) via the Clerk to the Governors.

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Senior personnel are recruited on the basis of national advertisement and selection by Governors and other senior personnel. The Governors' General Finance Committee considers the remuneration of senior personnel where appropriate at their summer term meeting. Consideration is given to benchmarking information, including the AGBIS Survey of Heads' and Bursars' Remuneration, as well as performance and experience in the role.

Organisational structure

The Governors are legally responsible for the overall management and control of the School and meet, either in person or virtually, at least three times a year.

In addition to the meetings of the full governing body there are three sub-committees, each of which meets termly in advance of the respective plenary meeting. The sub-committees are as follows:

- Education Committee, chaired by Catherine Hughes;
- General Finance Committee (GFC), chaired by Alison Martin;
- Estates and Operations Committee (EOC), chaired by Charles Griffin.

The members of each sub-committee are listed on page 1. In addition, there are nominated Governors with specific responsibilities, including:

- Safeguarding (Terri Wilcox);
- Health & Safety (John Ludlow)

The day-to-day running of the School is delegated to the Head, supported by the 'Core Group', which comprises the Deputy Head, Bursar, and Director of Human Resources. The Head attends all governors' meetings; the Bursar attends all governors' meetings except the Education Committee; other members of the Core Group, Senior Leadership Team, and wider staff body attend relevant meetings as required.

Governors' indemnities

As permitted by the Articles of Association, the Governors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the financial period and remains in force in the current year. The Company also purchased and maintained throughout the period Governors' and Officers' liability insurance in respect of itself and its Governors.

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Principle risks and their management

The Governors are responsible for the management of the risks faced by the Charity. Detailed consideration of these risks is delegated to the General Finance Committee, which is attended by the Head, Deputy Head and Bursar.

The key controls used by the Charity to ensure that risks are properly identified and managed are:

- Formal agendas for all Committee and Plenary meetings;
- Detailed terms of reference for all Committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies and procedures;
- Clear financial processes, authorisation and approval levels; and
- Vetting procedures as required by law.

The principal risks identified to which the School is exposed are:

- The imposition of VAT on fees, which may impact negatively on pupil numbers;
- Loss of Mandatory Business Rates Relief, resulting in an increase in costs;
- Inability to invest adequately in the School's fabric and facilities, in order to increase and maintain pupil numbers;
- Wider economic and political uncertainty;
- The effects of climate change and the cost of taking remedial action.

We are mitigating these risks by:

- Optimisation of the School's financial management to minimise the impact of any imposition of VAT on school fees, through maximisation of allowable offsetting capital and operating expenditure subject to VAT;
- Effective cost control, offsetting also any abolition of Business Rate Relief, with the objective of keeping fees as low and competitive as possible without compromising the quality of education and pastoral care provided to our pupils;
- Action to grow and maintain pupil numbers through improving our offer to pupils and prospective pupils, in particular by providing new Sixth Form facilities and refurbishing boarding accommodation, as well as by enhanced proactive marketing of the School;

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Through the processes identified above, the Governors are satisfied that major risks are identified and appropriately mitigated where possible.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Objects, aims, objectives and activities

Charitable objects

The School's charitable objects are;

1. To advance Roman Catholic education in the Benedictine tradition and the Roman Catholic faith in particular, but without prejudice to the generality of the foregoing, by running a school known as Downside School;

2. To advance education by providing facilities for the education and training of children and young people provided that such provision shall be ancillary or incidental only to the running of a school known as Downside School in accordance with the above;

3. To support the work of Downside Abbey General Trust.

Downside's vision, as a Catholic and Benedictine school with Christ at its centre, is to be a bright light in education and to inspire service in our world.

Our mission is to provide a secure, happy and inclusive environment where children develop the inner confidence and self-esteem necessary to flourish in our rapidly changing world. Whilst we protect and nurture our children, we also challenge and extend them in order to build their ability to thrive as adults in the future.

We strive to ensure that individuals' minds are broadened, and perspectives widened. We encourage learning, independence of thought and the cultivation of self-belief, skills, wisdom and curiosity.

We prepare our pupils to live life to the full, encouraging them to act responsibly and thoughtfully and to embrace, with energy and enthusiasm, the great opportunities that lie ahead. It is our sincere desire that each child will use their compassion, knowledge, passions and energies to make the world a better place – and believe they can do so. Every child has an inherent value, which is exceptional and exclusive to them.

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Public benefit aims and intended impact

The Trustees confirm that they have complied with their duty under section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

The School makes generous provision for children from families who would not otherwise be able to afford our fees to benefit from the excellent education that we offer. During the year £2,624,705 (2022: £2,717,046) was given in scholarships, bursaries and other fee assistance. This amounts to 22.3% of gross fees (2022: 24%).

A total of 21 pupils received means-tested bursaries of 85% or more, with 6 pupils receiving 100%, 7 on 95% and 4 on 90% fee remission (with the school additionally providing support to several of these families with the purchase of uniforms, school trips, travel and other items to enable full participation in the life of the School). Such awards are truly transformational for the pupils, their families and the wider community.

As an educational provider, we actively support and promote the attainment of high standards in academic achievement, curriculum development and pastoral care. We nurture and encourage our pupils to realise their potential as contributors to society, developing character, moral courage, integrity and service to others. In sport we foster high standards, both in performance and sportsmanship. In performing arts and across a wide range of extra-curricular activities, we give children an appreciation of the 'poetry of life' and a sense of its beauty, form, mystery and joy.

Since September 2022 the School has developed and run a full calendar of events to welcome pupils from local schools, giving them access to our extensive facilities and specialist teachers, and providing an opportunity for Downside pupils to support the younger children in their learning. Over the past 2 years we have welcomed over 1,000 pupils from Oakhill, St Vigor & St John, Kilmersdon, St Benedict's, St Julian's, Moorlands, Croscombe, Stoke St Michael, Farrington Gurney, Our Lady of Lourdes, St Patrick's, St Augustine's, St Mary's Chippenham and Chewton Mendip Primary Schools.

This Community Engagement programme to date has seen 24 days of activities including:

- Forensic Detectives (pupils collect, survey & catalogue evidence from a 'crime scene');
- Art & Design Technology (creating pieces of art using different techniques including book binding and printmaking as well as creating the 'Tower of Downside' puzzle using resistant material in the Design Workshop);
- Choral workshops (learning different songs and giving a performance in the Abbey Church);

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- Languages (introduction to modern languages involving quizzes, treasure hunts and Christmas cards);
- Musical Theatre (learning a song, dance routine and improvisation on our theatre stage);
- Debating (researching characters using the library and taking part in a balloon debate);
- Outdoor Adventure (bushcraft, teambuilding, archery and basic Combined Cadet Force (CCF) skills); and
- Sports Masterclass (introduction to hockey, rugby and netball).

The days are led by specialist staff who have volunteered their time and include free transportation to and from the school, and lunch, snacks and refreshments. Each event also includes a guided tour of the Abbey Church by our Chaplain, with a brief history of the church and its architecture.

The School also contributes to the Camino Partnership of Catholic Schools in the southern part of the Diocese of Clifton to promote Catholic education. The partnership provides a network of support to fellow schools and shares expertise from Chaplaincy and the teaching of religious studies to Heads and Governors of schools. During the year we hosted a Camino Choral Day in which 110 pupils from 5 schools participated.

Pupils participate in a number of community service activities, including a weekly soup run in Bath with Help for Homeless, which involves handing out hot food, sanitary products and clothing. They also take part in an annual overnight sleepout to raise awareness and funds for the charity.

Within our local village of Stratton-on-the-Fosse, pupils undertake litter picking and have been involved in restoring the play equipment area. The School also raises funds in support of Mary's Meals and CAFOD. In addition, each House chooses its own local, national or international charity for further fundraising activities.

In January 2023, Downside Choral Society (DCS) was established to welcome singers from the local area to come together as a community choir. Its first concert was Mozart's Requiem in the Abbey Church on 30 March 2023, followed by a performance of Haydn's Creation on 22 March 2024.

Wider benefits to the economy

The Independent Schools Council (ISC) and Oxford Economics provide a tool for schools to assess their impact on the national and local economy. The calculations for Downside School for the year are:

- Contribution to UK GDP: £12.7 million;
- Of which, contribution to Mendip local authority GDP: £8.0 million;

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- Number of UK jobs supported by the school's activities: 303;
- Of which, number of jobs in the Mendip local authority area: 220;
- UK tax supported by the school's activities: £3.6 million;
- Additional savings to the UK taxpayer: £1.6 million.

The additional savings to the UK taxpayer highlighted above are based on the 224 pupils in the school (British or EEA nationals with parents resident in the UK) who would otherwise be entitled to take up a free UK state school place.

Objectives for the year

The Charity's overarching vision, as a Catholic and Benedictine school with Christ at its centre, is to be a bright light in education and to inspire service in our world.

The four key principles that guide us in determining our objectives are:

- Our purpose is to awaken and nurture a lifelong commitment to learning and growing (conversatio morum - Rule of St. Benedict);
- We challenge the transactional and utilitarian view of education;
- The relationship between the family and the School is one of dedicated and accountable partners;
- We need specific and measurable results to indicate how well the partnership is working.

These principles are derived from the parable of the talents, which is our model for gauging performance; and the parables of the lost sheep and the prodigal son, which underpin our pastoral care.

In furtherance of these principles our objectives for the year were to:

- continue to build a strong faith-based culture that challenges our pupils to make their unique contribution to society;
- establish a programme of staff retreats to underpin the Catholic and Benedictine culture of the School;
- embed the Relationship and Sex Education (RSE) programme so that respect is at the heart of every relationship in our community;
- work with the wider Downside Community to provide one fully-funded academic scholarship in each year group by 2026;
- strengthen the School's financial controls and reporting to ensure that it is operating as efficiently and effectively as possible.

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Downside School

Governors' Report

Academic and pastoral review for the year

Downside is proud to be academically non-selective. Nevertheless the 2023 A-level grades (38 % A*/A and 66% A*-B) and GCSE results (42% 9-7 and 89% 9-4) show that our pupils continued to perform well despite the readjustment back towards 2019 grade boundaries.

Leavers' destinations

All pupils who applied to university through the Universities and Colleges Admissions Service (UCAS) gained a place. Universities included:

- Bath (Aerospace Engineering);
- Cardiff (Engineering; Medicine; Law & Politics; MFL);
- Edinburgh (Linguistics; Veterinary Medicine);
- Exeter (Accounting; Ancient History; and Archaeology);
- Oxford (French & Spanish);
- St Andrew's (Medicine).

Other leavers have gone on to study a wide range of subjects at various institutions, reflecting the breadth of disciplines for which a Downside education prepares an individual. In addition to those mentioned above, subjects include: Agri-Business Management; Comparative Literature; Textile Design; Particle Physics; Astrophysics; Music; Psychology; Sport Management; Architecture; Real Estate; Music and Philosophy; Global Health and Social Science; and International Relations and Politics.

Art

Set in its own buildings, the Art Department is busy and buzzing. Freedom of creativity is the norm: 2-D or 3-D; Textiles or oils; figurative or abstract. Pupils are encouraged to explore as many styles and media as possible. With an Artist-in-Residence, and regular visits to exhibitions, galleries and museums, pupils are provided with lots of inspiration. In Design and Technology pupils combine practical and technological skills with creative thinking to design and make products and systems that meet human needs. They use current technologies and consider the impact of future developments. They learn to think creatively and intervene to improve the quality of life, solving problems as individuals and members of a team.

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Music and performing arts

Downside is renowned for the quality of its co-curricular music. Outstanding facilities and expert, inspirational tuition ensure that a high number of pupils participate in a vast range of solo and group activities, with everything from singing and the ukulele to the double bass and bagpipes, and from sacred choral music to the jazz and function bands.

Founded over a century ago, Downside's Schola Cantorum is formed of boys and girls from all year groups and is proud to be the oldest Roman Catholic school choir in the United Kingdom. Building on the legacy of its distinguished founder, Sir Richard Runciman Terry, the Schola Cantorum maintains Downside's long tradition of excellence in liturgical music. Its repertoire embraces over 1400 years of composition, from the earliest Gregorian chant, via Renaissance polyphony and Classical Masses, to contemporary works by living composers. The Schola Cantorum provides the choral music for services in the Abbey Church and it gives concerts of large-scale sacred works accompanied by orchestra at various times throughout the year.

Further opportunities for singers include the three Chamber Choirs and a small close-harmony group. They specialise in a cappella performances of sacred and secular repertoire, including the popular May Morning Madrigals from the top of the School's Roberts' Tower. The Chamber Choirs regularly sing at Mass in the Abbey Church and elsewhere, including Wells Cathedral, Oxford and London.

Instrumental musicians also enjoy a wealth of opportunities. Orchestral, band and chamber music all flourish at Downside, with frequent concerts and less formal performances, at the School and elsewhere. Among the annual highlights, the CCF and Pipe Bands lead the annual Remembrance Sunday parade through the streets of Bath city centre. Advanced instrumentalists have the opportunity to perform concertos with the school orchestra, and there are plenty of opportunities for Jazz, Rock and Pop musicians.

CCF

The Combined Cadet Force (the second oldest in the country) is an integral part of the pupil experience at Downside and is an organisation of which the officers and cadets are immensely proud. The CCF does not seek to recruit young people into the forces; rather, it is a youth training group which is supported and funded by the MOD. Within the CCF we strive to bring out the very best qualities in each pupil. Our aim is to encourage resilience; managed risk-taking; pride in the contingent and wider school; service; duty; challenge; and leadership skills. Membership of the CCF is compulsory for all pupils in the Third Form. The focus is very much on fun activities which build confidence and leadership. Pupils who have found the classroom environment challenging have often discovered latent skills and abilities through the CCF.

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Sport

Our sporting philosophy is based on a positive mental attitude and exceptional work ethic, and this is expected from all pupils. The foundational values of discipline, humility and stewardship underpin an integral framework of sports coaching that aims to develop young people as strong, resilient leaders of character that can excel in sport, school and life.

Our emphasis on talent development recognises the power of teamwork and the importance of moral and performance character. There is a comprehensive and detailed programme for sports scholars, but our aim is to ensure that every pupil finds a sport or physical activity in which they can participate, excel and learn the values of being part of a team.

The main sports played are Rugby, Hockey, Cricket, Tennis and Athletics. As pupils progress through the School they are also offered opportunities to play Badminton, Basketball, Cross Country, Football, Golf, Rugby 7's, Swimming & Table Tennis, with regular fixtures throughout the year for all age groups.

Financial review and results for the year

The Charity achieved a surplus for the year of £33,260 (2022: deficit £578,155).

Bank loan

On separation from DAGT in September 2019 the School took over responsibility for an existing bank loan originally advanced to DAGT (see note 16). As at 31 August 2023 the balance of the loan stood at £2,421,342. DAGT however undertook to repay the loan in full and did so on 26 March 2024.

This material improvement in the Schools financial position will be fully reflected in the 2024 results, but in the meantime, it is pleasing to be able to report the School as being free from external borrowings.

Reserves policy

As at 31 August 2023 the Balance Sheet showed net liabilities of £2,418,565 (2022: net liabilities £2,451,825). However, as noted above, with the bank loan repaid in full after the year-end, this would have resulted in net assets of £2,777 on an adjusted basis.

The School has no free reserves. This is typical of many independent schools due to the need for continuing expenditure from retained reserves to support our charitable objects. The School's policy over time is to build up resources by means of annual operating surpluses, balanced against the need to continue investing in its facilities and infrastructure.

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Investment policy

The School has a beneficial interest in shares in Telecom Plus PLC to the value of £95,400 as at 31 August 2023 (2022: £117,000). These are held in the name of DAGT and stated as transferred to the School under the terms of the Separation Agreement.

Going concern

The Governors have prepared the financial statements on a going concern basis as, in their opinion, the School is able to meet its obligations as they fall due.

As has been noted in the financial review on page 12, with the repayment of the outstanding loan by DAGT, the School's Balance Sheet returned to a positive net assets position subsequent to the year-end. A cash surplus is forecast for 2024 and improved historic fee debt collection and cost control, combined with an increase in enquiries, visits and pupil registrations, give positive indications for the future.

The School continues to face challenges as there is a small projected deficit for 2025 and points where cashflow issues have been identified. The forecasts for 2025 indicate that there is shortfalls in the availability of cash.

To mitigate this the School has taken steps to increase pupil recruitment and retention, including refurbishing an existing building to provide a new sixth form centre to help retain more pupils post-GCSE and attract local day pupils. The work will be completed by September 2024 using capital investment funds allocated under the School's catering contract. The effects of these measures are already being seen, both in a reduced number of leavers and higher number of enquiries and registrations. The School is also considering its financing options in order to protect against any projected shortfalls.

Furthermore, Governors are mindful of the Labour Party's stated policy to introduce VAT on school fees, and to abolish the 80% Mandatory Business Rates Relief. Depending on how the former may apply, it could have a detrimental effect on parents' ability to pay fees, and hence pupil numbers and income. The latter will add significantly to the School's expenditure. As a result of all the factors above, a material uncertainty exists that may cast doubt on the School's ability to continue as a going concern.

Having considered all of the above, Governors consider that it is appropriate that the accounts are prepared on a going concern basis.

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Plans for future periods

Aims and key objectives for future periods

There are no plans to alter the Charity's Objects or strategic aims.

In order for the School to remain financially secure, and to provide funds to invest in its buildings and infrastructure, the Governors' objective and the School's strategy is to progressively grow pupil numbers over time. Accordingly, they have allocated resources to the marketing and admissions functions to increase activity.

Regarding the ownership and wider use of parts of the Downside Estate, there is much potential for future development with potential for investment from suitable third parties.

Disclosure of information to auditor

Each Governor has taken steps that they ought to have taken as a Governor in order to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information. The Governors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the Governors of the charity on 30 May 2024 and signed on its behalf by:

DocuSigned by:
John Ludlow
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J M Ludlow
Governor

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Downside School

Statement of Governors' Responsibilities

The Governors (who are also the directors of Downside School for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with 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".

Company law requires the Governors to prepare financial statements for each financial year. 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 charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

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

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Governors of the charity on 30 May 2024 and signed on its behalf by:

DocuSigned by:
John Ludlow
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J M Ludlow
Governor

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Downside School

Independent Auditor's Report to the Members of Downside School

Opinion

We have audited the financial statements of Downside School (the 'charity') for the year ended 31 August 2023, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 charity's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Conclusions relating to going concern

We draw attention to the disclosures made in note 1 to the financial statements concerning the School's ability to continue as a going concern. The School continues to face challenges, including managing its cash flows and maintaining pupil numbers. The School's performance and cash position continue to be closely monitored and management continually consider cost saving measures along with maintaining a robust fee debtor collection process in order to ensure the School can continue to meet its obligations as they fall due. These conditions, along with other matters explained in note 1 to the financial statements indicate the existence of a material uncertainty over the School's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

We have nothing to report in this regard.

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Independent Auditor's Report to the Members of Downside School

Opinion on other matter 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, which includes the Governors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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.

Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities (set out on page 15), 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.

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Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the school's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014.

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We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within fee scholarships, bursaries and discounts and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing fee scholarships, bursaries and discounts, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and the Independent Schools Inspectorate, and reading minutes of meetings of those charged with governance.

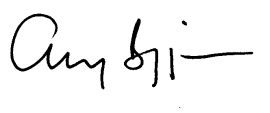
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing noncompliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available 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 Governors, 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 Governors 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 Governors as a body, for our audit work, for this report, or for the opinions we have formed.

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Guy Biggin (Senior Statutory Auditor)
For and on behalf of Crowe U.K. LLP, Statutory Auditor
4th Floor, St. James' House
St. James' Square
Cheltenham
GL50 3PR

Date: 30 May 2024

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Downside School

Statement of Financial Activities for the Year Ended 31 August 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 31 August 2023 £
Income and Endowments from:				
Donations and legacies	3	993,325	277,180	1,270,505
Charitable activities	2	9,635,711	-	9,635,711
Other trading activities	5	149,881	-	149,881
Investment income		4,596	-	4,596
Other income	6	477,652	-	477,652
Total income		11,261,165	277,180	11,538,345
Expenditure on:				
Raising funds		(328,571)	-	(328,571)
Charitable activities	7	(11,153,614)	(1,300)	(11,154,914)
Total expenditure		(11,482,185)	(1,300)	(11,483,485)
Gains/losses on investment assets		(21,600)	-	(21,600)
Net (expenditure)/income		(242,620)	275,880	33,260
Transfers between funds		265,634	(265,634)	-
Net movement in funds		23,014	10,246	33,260
Reconciliation of funds				
Total funds brought forward		(2,578,450)	126,625	(2,451,825)
Total funds carried forward	18	(2,555,436)	136,871	(2,418,565)

The notes on pages 28 to 45 form an integral part of these financial statements.

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Downside School

Statement of Financial Activities for the Year Ended 31 August 2023
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 31 August 2022 £
Income and Endowments from:				
Donations and legacies	3	662,368	126,625	788,993
Charitable activities	2	8,760,448	-	8,760,448
Other trading activities	5	139,043	-	139,043
Investment income		5,131	-	5,131
Other income	6	403,335	-	403,335
Total income		9,970,325	126,625	10,096,950
Expenditure on:				
Raising funds		(392,756)	-	(392,756)
Charitable activities	7	(10,337,549)	-	(10,337,549)
Total expenditure		(10,730,305)	-	(10,730,305)
Gains/losses on investment assets		55,200	-	55,200
Net (expenditure)/income		(704,780)	126,625	(578,155)
Net movement in funds		(704,780)	126,625	(578,155)
Reconciliation of funds				
Total funds brought forward		(1,873,670)	-	(1,873,670)
Total funds carried forward	18	(2,578,450)	126,625	(2,451,825)

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 28 to 45 form an integral part of these financial statements.

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Downside School

(Registration number: 11751009)
Balance Sheet as at 31 August 2023

	Note	31 August 2023 £	31 August 2022 £
Fixed assets			
Tangible assets	11	2,236,843	2,111,430
Investments	12	95,400	117,000
		2,332,243	2,228,430
Current assets			
Stocks	13	124,316	125,456
Debtors	14	2,430,088	919,327
Cash at bank and in hand		966,277	1,027,449
		3,520,681	2,072,232
Creditors: Amounts falling due within one year	15	(8,271,489)	(4,485,662)
Net current liabilities		(4,750,808)	(2,413,430)
Total assets less current liabilities		(2,418,565)	(185,000)
Creditors: Amounts falling due after more than one year	16	-	(2,266,825)
Net liabilities		(2,418,565)	(2,451,825)
Funds of the charity:			
Restricted income funds			
Restricted funds		136,871	126,625
Unrestricted income funds			
Unrestricted funds		(2,555,436)	(2,578,450)
Total funds		(2,418,565)	(2,451,825)

The notes on pages 28 to 45 form an integral part of these financial statements.

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Downside School

(Registration number: 11751009)
Balance Sheet as at 31 August 2023

The financial statements on pages 22 to 45 were approved by the Governors, and authorised for issue on 30 May 2024 and signed on their behalf by:

DocuSigned by:
John Ludlow
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J M Ludlow
Governor

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Downside School

Statement of Cash Flows for the Year Ended 31 August 2023

	Note	31 August 2023 £	31 August 2022 £
Cash flows from operating activities			
Net cash income/(expenditure)		33,260	(578,155)
Adjustments to cash flows from non-cash items			
Depreciation		326,442	359,265
Revaluation of investments		21,600	(55,200)
		381,302	(274,090)
Working capital adjustments			
Decrease/(increase) in stocks	13	1,140	(8,412)
Increase in debtors	14	(1,510,761)	(5,844)
Increase in creditors	15	277,778	430,251
Increase in deferred income	16	1,241,224	411,807
Net cash flows from operating activities		390,683	553,712
Cash flows from investing activities			
Purchase of tangible fixed assets	11	(452,807)	(610,409)
Sale of tangible fixed assets		952	-
Sale of investments		-	165,613
Net cash flows from investing activities		(451,855)	(444,796)
Cash flows from financing activities			
Value of new loans obtained during the period		-	500,000
Repayment of loans and borrowings	15	-	(578,380)
Net cash flows from financing activities		-	(78,380)
Net (decrease)/increase in cash and cash equivalents		(61,172)	30,536
Cash and cash equivalents at 1 September 2022		1,027,449	996,913
Cash and cash equivalents at 31 August 2023		966,277	1,027,449

The notes on pages 28 to 45 form an integral part of these financial statements.

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Downside School

Statement of Cash Flows for the Year Ended 31 August 2023

	31 August 2023 £	31 August 2022 £
Reconciliation of net cash flow to movement in net funds		
(Decrease)/increase in cash	(61,172)	30,536
Cash outflow from repayment of loans	-	(78,380)
Change in net debt resulting from cash flows	(61,172)	(47,844)
Net funds at 1 September 2022 (2021)	1,027,449	996,913
Net funds at 31 August 2023 (2022)	966,277	949,069

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 28 to 45 form an integral part of these financial statements.

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1 Accounting policies

Company information

Downside School is a charity, registered number 1184700, is a Public Benefit Entity registered as a Charity in England and Wales and is a Company Limited by Guarantee.

The accounting polices of the School, which have been applied consistently throughout the year, are listed below.

Going concern

The Governors have prepared the financial statements on a going concern basis as, in their opinion, the School is able to meet its obligations as they fall due.

As has been noted in the financial review on page 12, with the repayment of the outstanding loan by DAGT, the School's Balance Sheet returned to a positive net assets position subsequent to the year-end. A cash surplus is forecast for 2024 and improved historic fee debt collection and cost control, combined with an increase in enquiries, visits and pupil registrations, give positive indications for the future.

The School continues to face challenges as there is a small projected deficit for 2025 and points where cashflow issues have been identified. The forecasts for 2025 indicate that there is shortfalls in the availability of cash.

Furthermore, Governors are mindful of the Labour Party's stated policy to introduce VAT on school fees, and to abolish the 80% Mandatory Business Rates Relief. Depending on how the former may apply, it could have a detrimental effect on parents' ability to pay fees, and hence pupil numbers and income. The latter will add significantly to the School's expenditure. As a result of all the factors above, a material uncertainty exists that may cast doubt on the School's ability to continue as a going concern.

Having considered all of the above, and the mitigating steps that the School is taking, the Governors consider that it is appropriate that the accounts are prepared on a going concern basis.

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Basis of accounting

The financial statements have been prepared in accordance with the 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Incoming resources

Income is recognised in the period in which the School is entitled to receipt and the amount can be measured with reasonable certainty.

Fees receivable and charges for services and use of the premises are accountable for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School. The School offers means tested bursaries and scholarships which carry a monetary value of remission which is deducted from gross fees. Discounts are also offered to siblings of current pupils, military families and pupils whose parents and grandparents previously attended the School.

Donations and legacies

Donations and any associated income tax reclaimable from HM Revenue and Customs are recognised on a receivable basis. Donations received for the general purpose of the Charity are credited to unrestricted funds. Donations subject to specific wishes are carried to relevant restricted funds.

Legacies are accounted for as they are received or if, before receipt, it becomes reasonably certain that the legacy will be received and the value of the legacy can be measured with reasonable certainty.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

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Resources expended

Resources expended are accounted for in the period in which they are incurred. Any irrecoverable element of Value Added Tax is included with the item of expense to which is relates.

Where an item of expenditure falls directly within one cost category, it is attributed to that category only. Where expenditure involves more than one category, it is apportioned on a reasonable and justifiable basis.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses.

Tangible fixed assets

Tangible assets are held on the balance sheet at cost less accumulated depreciation. Cost includes the purchase price of the asset plus all costs incurred in bringing the asset in to use. Subsequent expenditure is capitalised where it extends the life or increases the value of the asset.

Depreciation and amortisation

Tangible fixed assets are depreciated on a straight line basis over the following periods:

Asset class	Depreciation method and rate
Equipment, fixtures and fittings	3 to 20 years straight line
Motor vehicles	5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The freehold land and buildings of the School were revalued in 1980. The governors are of the opinion that the current open market value on an existing use basis is in excess of book value.

The School has taken advantage of the transitional arrangements of FRS 102 - Section 17 Property, Plant and Equipment not to update its valuation of land and buildings.

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Listed investments
Investments are shown in the balance sheet at market value at the balance sheet date.

Realised and unrealised gains and losses on investment assets are included in the Statement of Financial Activities in the year in which they arise. Investment income is credited to income on an accruals basis.

Trade debtors
Debtors are recognised at the corresponding transaction value.

Trade creditors
Creditors are recognised where the School has a present obligation which results from a past event that in all probability, will result in the transfer of funds to a third party and the amount due to settle the obligation can be reliably measured.

Deferred income

The School offers parents the opportunity to pay for up to five years tuition fees in advance in accordance with a written contract. This is treated as deferred income until the pupil joins the School whereupon, the fee for each School term are charged against the remaining balance and taken to income. All amounts are included within creditors due within one year as the amounts are repayable on demand if the pupil leaves.

Retirement benefits
Prior to 31 December 2020, the School contributed to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. That Scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS 17, the Scheme has been accounted for as a defined contribution scheme.

The School exited the Teachers' Pension Scheme with effect from 31 December 2020 and a new defined contribution scheme with Aviva has been provided in its place.

All other pension arrangements are defined contribution schemes where the assets of the schemes are held separately from those of the School in an independently administered fund.

In all cases, the pension cost charges represent contributions payable by the School to the fund.

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Charitable funds

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

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

Critical accounting judgements and estimation uncertainty

The following are considered to be critical accounting judgements made in applying the School's accounting policies:

The following significant estimates and assumptions have been made in applying the School's accounting policies:

The annual depreciation charge for fixed assets is sensitive to changes in the estimated useful economic lives of assets. Estimated lives are reassessed annually and considered to reflect the remaining life of an asset.

The School makes an estimate of the recoverable value of trade and other debtors. Factors such as the ageing profile of the debtors and historical experience are taken into account. Bad debts are considered on a case by case basis by taking into account the likelihood of recovery. Debts are written off by approval of the Governors if this is deemed appropriate.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

2 Income from charitable activities

	Unrestricted funds	31 August 2023	31 August 2022
	£	£	£
Fee income	9,635,711	9,635,711	8,760,448

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Fee income comprises of the following:

	31 August 2023	31 August 2022
	£	£
Gross fees	11,787,849	11,281,388
Less: total scholarships, bursaries and fee assistance	(2,624,705)	(2,717,046)
Other fee income	452,836	177,452
Registration fees	19,731	18,654
	9,635,711	8,760,448

3 Donations and legacies

	Unrestricted funds	Restricted	31 August 2023	31 August 2022
	£	£	£	£
Donations and gifts	993,325	277,180	1,270,505	788,993
	993,325	277,180	1,270,505	788,993

4 Net expenditure

The net expenditure for the period is stated after charging:

	31 August 2023	31 August 2022
	£	£
Depreciation	326,442	359,265
Auditors remuneration	42,175	18,870
Loan interest	166,593	85,684
Bank charges	20,676	17,165
Bad debt provision	190,059	57,001
	745,945	537,985

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5 Income from other trading activities

	Unrestricted funds £	31 August 2023 £	31 August 2022 £
Trading income;			
School shop	102,075	102,075	96,935
Pitch and nets hire	2,873	2,873	1,175
Events income;			
Shows and events	1,740	1,740	160
Other commercial income	40,321	40,321	-
Recharges to Downside Abbey General Trust	2,872	2,872	40,773
	149,881	149,881	139,043

6 Other income

	Unrestricted funds £	31 August 2023 £	31 August 2022 £
Cafe takings	22,537	22,537	19,344
Rental income	389,396	389,396	383,991
Other income	2,884	2,884	-
Sundry income	62,247	62,247	-
Interest on overdue accounts	588	588	-
	477,652	477,652	403,335

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7 Expenditure on charitable activities

	Teaching	Welfare	Premises	Support	Total 31 August 2023	Total 31 August 2022
Staff costs	4,014,944	904,693	428,554	1,211,394	6,559,585	6,103,505
Expenditure on raising funds	-	-	-	314,082	314,082	392,756
Depreciation and impairment	-	-	315,713	-	315,713	355,027
Other costs	656,352	1,349,350	1,114,280	1,062,417	4,182,399	3,737,922
Governance costs	-	-	-	111,706	111,706	141,095
	4,671,296	2,254,043	1,858,547	2,699,599	11,483,485	10,730,305
Analysis by fund						
Unrestricted funds	4,671,296	2,254,043	1,858,547	2,699,599	11,483,485	-
31 August 2022						
Unrestricted funds	4,388,913	2,016,499	2,006,928	2,317,965	-	10,730,305

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds £	31 August 2023 £	31 August 2022 £
Audit fees			
Audit of the financial statements	42,175	42,175	18,870
Legal and professional fees	67,481	67,481	119,578
Governors expenses	2,050	2,050	2,646
	111,706	111,706	141,094

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9 Staff costs

The aggregate payroll costs were as follows:

	31 August 2023 £	31 August 2022 £
Staff costs during the year were:		
Wages and salaries	5,362,250	5,011,405
Social security costs	502,004	464,854
Pension costs	563,223	522,749
Other staff costs	132,108	104,497
	6,559,585	6,103,505

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was as follows:

	31 August 2023 No	31 August 2022 No
Teaching	67	70
Other	128	127
	195	197

Key management personnel of the School are deemed to be the Senior Leadership Team. The total amount paid to key management personnel, including employers pension, National Insurance contributions and any benefits in kind was £519,578 (2022 - £552,953).

The Governors received no remuneration. Governors were reimbursed travel and training expenses totalling £2,050 (2022 - £2,646).

The number of employees whose emoluments fell within the following bands was:

	31 August 2023 No	31 August 2022 No
£60,001 - £70,000 per annum	7	2
£70,001 - £80,000 per annum	1	1
£130,001 - £140,000	1	1

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The pension contributions included within the above bands amounts to £93,998 (2022 - £58,936).

During the year termination payments were made totalling £14,700 (2022 - £5,630).

10 Taxation

The School is a registered charity and as such, is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the School's primary objectives if these profits and surpluses are applied solely for charitable purposes.

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 September 2022	421,023	2,765,780	4,000	3,190,803
Additions	8,378	444,429	-	452,807
Disposals	-	(4,070)	-	(4,070)
At 31 August 2023	429,401	3,206,139	4,000	3,639,540
Depreciation				
At 1 September 2022	4,513	1,072,793	2,067	1,079,373
Charge for the year	3,506	322,136	800	326,442
Eliminated on disposals	-	(3,118)	-	(3,118)
At 31 August 2023	8,019	1,391,811	2,867	1,402,697
Net book value				
At 31 August 2023	421,382	1,814,328	1,133	2,236,843
At 31 August 2022	416,510	1,692,987	1,933	2,111,430

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12 Fixed asset investments

	31 August 2023	31 August 2022
	£	£
Other investments	95,400	117,000

Other investments

	Listed investments	Total
	£	£
Cost or Valuation		
At 1 September 2022	117,000	117,000
Revaluation	(21,600)	(21,600)
At 31 August 2023	95,400	95,400
Net book value		
At 31 August 2023	95,400	95,400
At 31 August 2022	117,000	117,000

The listed investment represents a beneficial interest in 6,000 shares held in Telecom Plus PLC.

13 Stock

	31 August 2023	31 August 2022
	£	£
School shop	124,316	125,456

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14 Debtors

	31 August 2023 £	31 August 2022 £
Trade debtors	1,741,808	367,616
Prepayments and accrued income	414,777	391,649
Other debtors	273,503	160,062
	2,430,088	919,327

Trade debtors above are stated net of bad debt provisions totalling £302,419 (2022 - £181,928)

15 Creditors: amounts falling due within one year

	31 August 2023 £	31 August 2022 £
Bank borrowings	2,421,342	154,517
Trade creditors	428,456	352,500
Other taxation and social security	256,333	221,139
Other creditors	1,659,274	1,320,588
Accruals	325,338	497,396
Fees in advance	3,057,789	1,657,701
Advance fees scheme	122,957	281,821
	8,271,489	4,485,662

Fees received under the fees in advance scheme will be applied as follows:

	31 August 2023 £	31 August 2022 £
Within 1 to 2 years	101,698	129,073
Within 2 to 5 years	21,259	152,748
	122,957	281,821

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The advanced fees balance represents the accrued liability under the contracts. Capital movements during the period were:

	31 August 2023 £	31 August 2022 £
Balance brought forward	281,821	187,119
New contracts	-	190,192
Amounts utilised	(158,864)	(95,490)
	122,957	281,821

16 Creditors: amounts falling due after one year

	31 August 2023 £	31 August 2022 £
Bank loan	-	2,266,825

The bank loan was adopted as part of the separation of the School from Downside Abbey General Trust and has a term of five years from the separation date. The bank loan is secured against the main School site which is leased from Downside Abbey General Trust for a period of 125 years.

The ageing of the bank loan falls to be repaid as follows:

	31 August 2023 £	31 August 2022 £
Due within one year	2,421,342	154,517
Due within one to two years	-	2,266,825
	2,421,342	2,421,342

Downside Abbey General Trust have repaid the loan in full in March 2024 hence why the entire loan is shown due within one year.

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17 Obligations under leases and hire purchase contracts

The annual commitments under non-cancellable operating leases were:

	31 August 2023 £	31 August 2022 £
Land and buildings		
Within one year	416,566	273,940
Between one and five years	1,700,000	1,629,167
After five years	49,299,998	49,158,331
	51,416,564	51,061,438
Fixtures and fittings		
Within one year	41,579	33,941
Between one and five years	50,472	28,661
	92,051	62,602

Operating leases for land and buildings principally relate to the long term lease granted by Downside Abbey General Trust for the School premises.

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18 Funds

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2023 £
Unrestricted funds					
Unrestricted funds					
Unrestricted funds	(2,578,450)	11,261,165	(11,503,785)	265,634	(2,555,436)
Restricted funds					
Sill Organ Scholarship	126,625	-	-	-	126,625
Piano Fund	-	265,702	-	(265,634)	68
Rose Enrichment Fund	-	11,478	(1,300)	-	10,178
Total restricted funds	126,625	277,180	(1,300)	(265,634)	136,871
Total funds	(2,451,825)	11,538,345	(11,505,085)	-	(2,418,565)

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2022 £
Unrestricted funds					
Unrestricted funds					
Unrestricted funds	(1,873,670)	9,970,325	(10,730,305)	55,200	(2,578,450)
Restricted					
Sill Organ Scholarship	-	126,625	-	-	126,625
Total funds	(1,873,670)	10,096,950	(10,730,305)	55,200	(2,451,825)

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19 Analysis of net liabilities between funds

	Unrestricted funds £	Restricted funds £	Total funds 31 August 2023 £
Tangible fixed assets	2,236,843	-	2,236,843
Fixed asset investments	95,400	-	95,400
Net current assets	(4,887,679)	136,871	(4,750,808)
Total net liabilities	(2,555,436)	136,871	(2,418,565)

	Unrestricted funds £	Restricted funds £	Total funds 31 August 2022 £
Tangible fixed assets	2,111,430	-	2,111,430
Fixed asset investments	117,000	-	117,000
Net current assets	(2,540,055)	126,625	(2,413,430)
Creditors over 1 year	(2,266,825)	-	(2,266,825)
Total net liabilities	(2,578,450)	126,625	(2,451,825)

20 Pension and other schemes

The School has participated in the following pension schemes:

a) The Teacher's Pension Scheme (defined benefit); and
b) Defined contribution pension schemes, the assets of which are held separately from those of the School in independently administered funds.

The total pension cost charge represents contributions payable by the School to these schemes as follows:

	31 August 2023 £	31 August 2022 £
Defined contribution schemes	563,223	522,749

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The following amounts had not been paid to the schemes at the year-end:

	31 August 2023	31 August 2022
	£	£
Defined contribution schemes	79,027	128,215

21 Contingent assets

As part of the School's separation Agreement, Downside Abbey General Trust undertook to contribute funds towards maintenance works to be carried out on the School estate. These works were capped at £4 million, with payments receivable as works were carried out. However, in order to support the School as it recovers from the COVID pandemic and seeks to re-establish profitability and positive cash flow, Downside Abbey General Trust has formerly agreed to repurpose this contribution in the form of actual donations of £1 million and reduced rent of premises from £425,000 to £212,500 annually up to 31 December 2023. It has further undertaken to meet all interest and principal repayment obligations from 1 September 2023 under the loan in the School's name and to arrange its repayment in full by August 2024, of which £2.4 million is currently outstanding. The bank loan was repaid by the DAGT in full on 26 March 2024.

22 Financial instruments

Financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are valued at fair value. Financial assets held at amortised cost comprise of cash at bank an in hand, together with trade and other debtors and fee debtors. A specific provision is made for debts where recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise of all creditors except social security and other taxes and provisions.

Financial assets held at amortised costs total £5,757,524 (2022 - £4,183,662) and held at fair value total £95,400 (2022 - £117,000).

Financial liabilities held at amortised costs total £8,271,489 (2022 - £6,752,487).

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23 Related party transactions

During the year ended 31 August 2023, transactions totalling £632,759 (2022 - £667,791) were paid to Downside Abbey General Trust where Very Rev Dom Nicholas P Wetz is a Trustee and controller of the Trust. The charges relate to services provided to the School and were charged at market value.

During the year ended 31 August 2023, costs were recharged to Downside Abbey General Trust of £13,893 (2022 - £40,773)

As at the balance sheet date the amount due to the School from Downside Abbey General Trust was £7,252 (2022 - £58,336).

The School reimbursed expenses to two Governors' totalling £1,162 (2022 - three Governor's totalling £636) during the year.

The School paid a total of £2,050 (2022 - £2,010) in Governors' expenses, during the year for the benefit of all Governors.

DOWNSIDE SCHOOL

England & Wales - Charity number 1184700

Accounts

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Company registration number: 11751009
Charity registration number: 1184700

Downside School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022

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Downside School

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Downside School

Reference and Administrative Details

Governors (also members)	J M Ludlow (Chair from 30 January 2023) $#+
	M F T Bernard (Chair from 29 April 2022) $# (resigned 30 January 2023)
	Very Rev Dom N P Wetz #
	C M Hughes O.B.E #
	H A H Dickinson #
	A C Martin $
	T J Wilcox #~
	A C G Griffin $
	J M T Ogilvy-Stuart #
	A Barrett # (appointed 1 February 2023)
	R J G Jenkins $ (appointed 15 June 2022)
	A Lynch # (appointed 3 September 2022 resigned 3 August 2023)
	Dr R G G Mercer (Resigned 31 March 2022)
	J A Scott-Gatty (Resigned 1 April 2022)

$ Member of general finance and resources committee
Member of education committee
+ Responsibility for health and safety
~ Responsibility for safeguarding

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Downside School

Reference and Administrative Details

Clerk to the Governors	V Locke
Charity Registration Number	1184700
Company Registration Number	11751009
Registered Office	Stratton-on-the-Fosse Radstock Somerset BA3 4RJ
Head	A Hobbs
Auditors	Crowe U.K. LLP 4th Floor, St. James' House St. James' Square Cheltenham GL50 3PR
Bankers	Barclays Bank PLC 4 Queen Street Bath BA1 1HE
Solicitors:	Stone King 13 Queens Square Bath BA1 2HJ

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Downside School

Governors' Report

The Governors of Downside School, who are also the Directors of the school for the purposes of the Companies Act and Trustees for the purposes of the Charities Act (but herein after are referred to as Governors), present their annual report and the audited financial statements for the year ended 31 August 2022. The annual report serves the purpose of both a Trustees Report and a Directors Report under company law. The financial statements comply with the Charities Act 2011, the Charities Statement of Recommended Practice (second edition) and the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102).

Reference and Administrative Details

Downside School separated from Downside Abbey General Trust, which owned and ran Downside School, on 11 September 2019. The Company is limited by guarantee, with registered number 11751009. The School is also a Charity, registered number 1184700. The Governors, executive officers and principal address of Downside School are listed on page 1 together with the particulars of the Charity's professional advisers.

Structure, governance and management

Nature of governing document

The Charity is governed by its Memorandum and Articles of Association as amended on 22 July 2019.

The Governors who held office during the period are shown on page 1. The structure of the Charity consists of one Governing Body of not more than twelve Governors for Downside School.

Recruitment and appointment of Governors

The Board of Governors shall include the Abbot of Downside Abbey (or an individual appointed by the Abbot), one Governor appointed by the Bishop of the Roman Catholic diocese in which any school operated by the Charity is located and a minimum of six other Governors. The total number of Governors shall not exceed twelve.

New Governors are appointed by ordinary resolution of the Governors and eligibility is subject to personal competence, specialist skills and availability. New Governors are inducted into the workings of the Charity and the management of the school, including its policies and procedures, at training meetings organised for them by the Chairman, the Head and the Clerk to the Governors. Governors' training needs are assessed on an individual basis and training is given as appropriate. All Governors are required to undertake mandatory Safeguarding training, and they are sent regular guidance notes and information from the Association of Governing Bodies in Schools (AGBIS) via the Clerk to the Governors.

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Senior personnel are recruited on the basis of national advertisement and selection by Governors and other senior personnel. The Governors' Finance and Resources Committee considers the remuneration of senior personnel where appropriate at their summer term meeting. Consideration is given to benchmarking, in particular the AGBIS Survey on Heads and Bursars Remuneration, market information and time in their position. Governors also consider individuals' performance against objectives.

Organisational structure

The Governors are legally responsible for the overall management and control of Downside School and meet, either in person or virtually, at least three times a year. There are two sub-committees; during the year to 31 August 2022- the Education Committee was chaired by Catherine Hughes and the General Finance and Resources Committee (GFRC) was chaired by James Scott-Gatty up to the date of his resignation when he was replaced by Alison Martin. Both committees meet regularly to consider their specific issues prior to presenting their recommendations or proposals to the full Board. The GFRC is responsible for considering Business Risk throughout the year and reporting on this issue to the full Board during the summer term. The members of each sub-committee are listed on page 1. In addition, there are nominated Governors with specific responsibilities for Health and Safety and Safeguarding. During the period to 31 August 2022 these were John Ludlow and Terri Wilcox respectively.

The day to day running of the School is delegated to the Head, supported in this by the Senior Leadership Team of the School. This comprises the Director of Operations, the Director of Finance and the Deputy Head. Relevant members of the Leadership Team attend the Governors' sub-committee and full Board meetings.

Governors' indemnities

As permitted by the Articles of Association, the Governors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the financial period and remains in force in the current year. The Company also purchased and maintained throughout the financial period Governors' and Officers' liability insurance in respect of itself and its Governors.

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Major risks and management of those risks

The major risks to which the School is exposed, as identified by the Governors, have been reviewed and systems have been established to mitigate those risks.

The following are the principal risks and uncertainties facing the School:
- Impact on reputation of events such as fraud, accidents and media coverage;
- Maintenance of pupil numbers as this may affect liquidity and cash flows;
- Maintenance of effective senior leadership.

The following is a summary of the School's plans and strategies for managing those risks:
- Compliance with regulatory requirements; ongoing evaluation of teaching and its educational curriculum; regular review of Disaster Recovery Plan; compliance with Child Protection policies and procedures; Governor oversight;
- Regular Governor evaluation, training and Committee meetings;
- An effective marketing strategy to maintain and grow the School's pupil numbers.

Group structure and relationships

Downside School actively supports the attainment of the highest standards in the Independent Schools sector. To this end, it actively networks with other leading schools and participates in peer group studies for the evaluation of quality and performance improvement methods. The School also cooperates with many local charities in an ongoing endeavour to widen public access to the education that it provides, to optimise the use of its cultural and sporting facilities and to awaken in its pupils, in the public interest, an awareness of the social context of the all-round education they receive at the School. Downside School also benefits from the generosity of past pupils through the St. Gregory's Society and from parents and others through the Downside Association.

On 29 March 2021 the Charity acquired the trade and assets of its wholly owned non-charitable subsidiary, Downside School Enterprises Limited, which principally operated a school shop and also generates income for the School through the letting of its facilities during school holidays. Downside School Enterprises Limited was dissolved on 30 March 2021, with its functions subsequently undertaken directly by the School.

The School maintains a close relationship with Downside Abbey General Trust with which it shares part of the site and some of the site's facilities and resources. The legal governance arrangements between the School and Downside Abbey General Trust include appropriate robust provisions for pupil safeguarding.

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Downside School

Governors' Report

Objects, aims, objectives and activities

Charitable objects

The School's charitable objects are;

1. To advance Roman Catholic education in the Benedictine tradition and the Roman Catholic faith in particular, but without prejudice to the generality of the foregoing, by running a school known as Downside School;
2. To advance education by providing facilities for the education and training of children and young people provided that such provision shall be ancillary or incidental only to the running of a school know as Downside School in accordance with the above;
3. To support the work of Downside Abbey General Trust.

Our mission is to provide a secure, happy and inclusive environment where children will develop the inner confidence and self-esteem necessary to flourish in our rapidly changing world. Whilst we protect and nurture our children, we also challenge and extend them in order to build their ability to thrive as adults in the future.

We strive to ensure that individual minds are broadened, and perspectives widened. We encourage learning, independence of thought and the cultivation of self-belief, skills, wisdom and curiosity.

We are preparing each child to live life to the full, encouraging them to live responsibly and thoughtfully and to embrace, with energy and enthusiasm, the great opportunities that lie ahead. It is our sincere desire that each child will use their compassion, knowledge, passions and energies to make the world a better place – and believe they can do so. Every child has an inherent value, which is exceptional and exclusive to them.

Public benefit aims and intended impact

The Trustees have regard to the Charity Commission's guidance on public benefit. To achieve these objects, the public benefit aim is to provide a Catholic and Benedictine education focused on the formation of young people to enable them to realise their potential as contributors to society. Downside focuses on academic excellence and aims to develop the character of its pupils, emphasising the importance of moral courage, integrity and service to others.

The School also fosters the highest standards in sport, both in performance and sportsmanship, and in the arts has a tradition of inspired theatrical productions. The School endeavours, in addition, to give children an appreciation of 'the poetry of life', a sense of its beauty, form, mystery and joy.

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The School contributes to the Camino Partnership of Catholic Schools in the southern part of the Diocese of Clifton to promote Catholic education. The partnership provides a network of support to fellow schools and shares expertise from Chaplaincy and the teaching of religious studies to Heads and Governors of schools. The partnership involves both primary and secondary schools from the maintained and independent sector.

The School regularly hosts events for local primary schools, including modern language days, choral singing days, sporting events and 'Race for the Line' events. Pupils and staff support the learning of Spanish in a local primary school.

Pupils participate in a number of Community service activities, including a soup run in Bath and visiting local homes for the elderly, primary schools and other social institutions. They also raise funds for a number of different charitable organisations, including Mary's Meals, and CAFOD. Pupils take part in an annual overnight sleep out in support of charities supporting the homeless.

The School has implemented a number of environmentally conscious waste disposal and recycling schemes, reflecting its commitment to green issues and to encourage a socially conscious outlook amongst its pupil body.

The School's outreach work has included its specialist sports staff coaching, refereeing and umpiring at a number of Prep Schools and also working with local primary schools.

The School has forged a strong relationship with Bath Rugby, and on occasions hosts the Bath Development Player Programme where the School regularly hosts 40-50 boys at under aged 14 and below.

Downside is the satellite coaching hub for Somerset Cricket Board in the North of the county, seeing hundreds of talented players (girls and boys) visit Downside for training. We also host County Age Group fixtures at junior level.

Objectives for the year

The Charity's objectives for the year were to continue to embed the educational offering which commenced in September 2019. The separation from Downside Abbey General Trust required new structures to be implemented and facilities resourced.

The new vision statement is 'Downside's vision, as a Catholic and Benedictine school with Christ at its centre, is to be a bright light in education and to inspire service in our world.'

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The School also reviewed and amended its mission statement to read:

'We will renew and strengthen our roots as a Catholic community, building relationships internationally, to become a school, which serves our world through its formation and education of young people, with the resources to meet our charitable objectives sustainably.'

Under this mission statement lie four key principles that seek to cover all areas of school life:

- We see it as our purpose to awaken and nurture a lifelong commitment to learning and growing (conversatio morum - Rule of St. Benedict);
- The relationship between the family and the School is one of dedicated and accountable partners;
- We challenge the transactional and utilitarian view of education;
- Specific and measurable outcomes need to be used as important indicators of how well the partnership is working.

The guiding policy for our principles is the parable of the talents which will be our model for gauging performance and the parables of the lost sheep and the prodigal son will provide our pattern for pastoral care.

The key strategies are:

- We will invest in building a strong faith based culture that challenges our pupils to make their unique contribution, with the help of all in the Downside community;
- We will establish a programme of staff retreats to underpin the Catholic and Benedictine culture of the School;
- We will embed the Relationship and Sex Education (RSE) programme so that respect will be at the heart of every relationship in our community;
- We will value and celebrate pupil engagement and achievement, recognising the unique contribution of each individual in accordance with their talents;
- Working with the wider Downside Community, we will establish a funding stream which provides one fully subsidised place for an academic scholar in each year group by 2026;
- We will ensure that the School is successfully funded to continue its work.

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Fee remission policy

During the year the value of scholarships, grants, prizes and bursaries made to the School's pupils out of unrestricted funds totalled £2,717,046 (seven month period ended 31 August 2021 - £1,656,179). Of this, £372,075 (seven month period ended 31 August 2021 - £225,020) being 3.3% of fee income, (seven month period ended 31 August 2021 - 4.1%) was awarded in Scholarships and £2,344,971 (seven month period ended 31 August 2021 - £1,431,159) being 20.8% of fee income (seven month period ended 31 August 2021 - 25.9%), in bursaries and discounts.

All bursaries are means-tested according to the School's policy and criteria. The remainder of the funds cover fees to overseas and British agents, standardised discounts to members of the armed forces, members of staff and siblings of current pupils. The School does not benefit from any endowments to fund scholarships. The policy of the Governors is to make awards on the basis of the individual's educational, musical, artistic or sporting potential, or to relieve hardship where the pupil's education and further prospects would otherwise be at risk. Details of such awards for fee-assistance, together with the terms and conditions for each kind of award, are available from the Bursary.

Details of the Reserves Policy, plans for future periods and financial risk management are included within the Strategic Report.

Disclosure of information to auditor

Each member has taken steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The Governors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the Governors of the charity on 30 August 2023 and signed on its behalf by:

DocuSigned by:
John Ludlow
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J M Ludlow
Governor

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Achievements and performance

Whole school

Despite the challenges of the COVID-19 pandemic, which significantly affected these pupils learning, all abilities continued to achieve extremely well academically. The A level (39 % A*/A and 65% A*-B) and GCSE (51% 9-7 and 90% 9-5) results in the Summer of 2022 showed that Downside pupils once again performed exceptionally despite the readjustment back toward the 2019 grade boundaries

Of the leavers who haveachieved university places, 1 has secured a place at Cambridge (post A level applicant), 2 at Durham, 1 at Imperial, 4 at Edinburgh, 2 at Warwick (all in The Times Top 10 Universities 2023), 2 at Exeter, 1 at Lancaster, 1 at Loughborough, 1 at Glasgow, 1 at Southampton, 1 at Strathclyde (all Top 20). Places were also secured at Leeds, Manchester, Nottingham, Queen Mary, Royal Holloway, University of East Anglia and Cardiff, which are in the Top 30 of the Times list.

Music and drama are an essential aspect of building confidence and provide pupils with a superb opportunity to work collaboratively.

Music is a central aspect of school life. There are three Chamber Choirs at Downside: a boys' choir, a girls' choir and a mixed choir. They specialise in a cappella performances, both sacred and secular. Membership is by invitation. The Chamber Choirs sing Mass on some Sundays and are much in demand for concerts. When the pupils were absent from school during lockdown there were online collaborations and recordings.

Orchestral, band and chamber music also flourish at Downside, with frequent concerts and weekly recitals. The Combined Cadet Force (CCF) and Pipe Bands are also in demand. The CCF band plays for the annual CCF inspection, and accompanies the Remembrance Day service. Both bands regularly perform at School concerts and parades, as well as at private functions. We also have Jazz, Rock and Concert Bands, a Saxophone Group and a Drum Line, amongst others. The CCF band has led the Remembrance Parade in Bath for a number of years and the Pipe Band plays annually at the Stratton-on-the-Fosse Village Day in September.

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In art, pupils are encouraged to explore as many styles and media as possible. With an Artist-in-Residence, and regular visits to exhibitions, galleries and museums, pupils are provided with lots of inspiration. In Design and Technology pupils combine practical and technological skills with creative thinking to design and make products and systems that meet human needs. They learn to use current technologies and consider the impact of future technological developments. They learn to think creatively and intervene to improve the quality of life, solving problems as individuals and members of a team.

Through Downside's Combined Cadet Force, pupils throughout the School are able to take part in a broad range of challenging, exciting and adventurous activities. All Third Form (aged 13+) pupils are able to experience the full range of CCF activity during the academic year. At the end of the Third Form, pupils can elect to move onto the Royal Navy, or Army, section in their senior years at Downside. One full afternoon per week is allocated to CCF activity, with additional camps, expeditions and training sessions scheduled throughout the year.

A very wide range of sporting opportunities are available to pupils and the philosophy held by pupils and staff is to adopt a positive mental attitude and develop an exceptional work ethic. We promote fitness and enjoyment and aim to develop each pupil's personal best. Pupils are offered a wide range of options including rugby, hockey, football, netball, cross country, cricket, tennis and athletics. Teams are fielded for all age groups. The School maintained an online sports programme during lockdown, providing for all pupils. There was also a comprehensive and detailed programme for sports scholars and those in elite pathways.

Financial review

The income for the year ended 31 August 2022 was £10,096,950 (seven months ended 31 August 2021 - £4,386,318) with the fee income being £8,760,448 (seven months ended 31 August 2021 - £3,981,088). Expenditure amounted to £10,730,305 (seven months ended 31 August 2021 - £5,599,141). The principal funding source for the period was fee income which supported the key objectives of the School in providing education to pupils.

Bank loan

The School has taken over a loan originally advanced by Barclays Bank to Downside Abbey General Trust. £2,421,342 was outstanding at 31 August 2022, and the School is responsible for capital repayment and interest costs up until 31 August 2023. As detailed in note 21, although the loan is formally documented in the name of Downside School, Downside Abbey General Trust has undertaken to repay the loan and to make all capital repayments and interest payments from 1 September 2023 to the date when the loan is repaid.

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Reserves policy

The Charity commenced trading on 11 September 2019 with nil reserves. Since then, it has suffered losses and its reserves position has therefore been negative.

The Charity's assets are sufficient to meet its obligations, however income for the year continued to be affected by COVID-19 which has had a significant effect on working capital. At the end of the year (31 August 2022), there were restricted funds of £126,625 and no material amounts designated or otherwise committed. The reserves policy now and in the future is to build up resources by means of annual operating surpluses whilst continuing to invest in resources for current and future pupils.

Investment policy and objectives

The School had a beneficial interest in an investment at a value of £165,613 at 31 August 2021, which was disposed of during the year under review. This was 23% of the shares held by Downside Abbey General Trust and remained in the name of the Trust. The percentage transferred to the School's ownership is stated in the legal Separation Agreement between the Trust and the School. The School also has a beneficial interest in shares in Telecom Plus PLC to the value of £117,000 as 31 August 2022 (31 August 2021 - £61,800). These are also held in the name of Downside Abbey General Trust and stated as transferred to the School under the terms of the Separation Agreement.

Principal risks and uncertainties

The Governors are responsible for the management of the risks faced by the Charity. Detailed considerations of the risks are delegated to the General Finance and Resources Committee, which is assisted by the Head and the Director of Finance. Risks are identified, assessed and controls are established throughout the year. A formal review of the Charity's Risk Management process is undertaken on an annual basis. The key controls used by the Charity include

- Formal agendas for all Committee and Board activities;
- Detailed terms of reference for all Committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear financial authorisation and approval levels; and
- Vetting procedures as required by law for the protection of the vulnerable.

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Through the risk management process established for the Charity, the Governors are satisfied that major risks are identified and appropriately mitigated where possible.

Principal risks are identified as being:

- Maintaining pupil numbers; and
- The bank withdrawing its loan facility; and
- Political policy in relation to independent schools.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Financial risk management

The Charity's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and interest rate risk. The School is exposed to credit risk as its main customers are the parents of pupils. It discusses payment terms with parents and agrees payment plans where required. The School is exposed to liquidity risk but minimises the exposure by actively monitoring its monthly cash flow. Similarly, the School is also exposed to a rise in interest rates which it takes into account in its budgeting. In addition, the Charity has in place a risk management programme that seeks to limit the adverse effect on the financial performance of the Charity.

Going concern

The Governors have prepared the financial statements on a going concern basis as, in their opinion, the School is able to meet its obligations as they fall due.

The School is forecasting surpluses in both the 2023 and 2024 financial years however will not return to positive cashflows until September 2024. The School is mindful of the 'cost of living' and inflation-related pressures faced, together with some political and economic uncertainty that might adversely affect pupil recruitment. This has been factored into its financial forecasts and planning through to August 2025. Cash availability is dependent on the receipt of a donation due from Downside Abbey General Trust in the 2024 financial year, together with much improved fee debtor collection and control of costs.

These conditions indicate, however that a material uncertainty exists that may cast significant doubt on the School's ability to continue as a going concern.

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To mitigate this the School has taken steps to increase pupil recruitment and retention, including plans to refurbish an existing building to provide a new sixth form centre to help retain more pupils post-GCSE and attract local day pupils into the sixth form. This work will be completed during the 2024 financial year using capital investment funds allocated under the School's catering contract.

The School has also agreed with Downside Abbey General Trust to repurpose the £4 million that was due to the School under the Separation Agreement to ensure the School has sufficient resources to meet its operational needs and to ensure the repayment of the bank loan by August 2024. In addition, Downside Abbey General Trust has agreed to meet all capital and interest payments relating to the bank loan from 1 September 2023 until the date it is repaid in full.

Robust financial controls have been implemented to ensure the timely collection of fee debtors and to ensure that costs are contained and kept in line with budget, together with regular financial reporting to monitor performance.

Having considered all of the above, the Governors consider that it is appropriate that the accounts are prepared on a going concern basis and are confident that the measures being taken will secure the future of the School.

Plans for future periods

We use historical data and trends (along with other information gathering and research) as the basis for forecasting pupil numbers. The number of pupils at the School dictates the allocation of resources and so our long term strategic plan and forecasts may change depending on factors such as uncertainty in the wider economy or Government imposed statutory or regulatory changes.

The strategic report was approved by the Governors of the charity on 30 August 2023 and signed on its behalf by:

DocuSigned by:
John Ludlow
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J M Ludlow
Governor

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Downside School

Statement of Governors' Responsibilities

The Governors (who are also the directors of Downside School for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with 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".

Company law requires the Governors to prepare financial statements for each financial year. 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 charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

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

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Governors of the charity on 30 August 2023 and signed on its behalf by:

DocuSigned by:
John Ludlow
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J M Ludlow
Governor

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Downside School

Independent Auditor's Report to the Members of Downside School

Opinion

We have audited the financial statements of Downside School (the 'charity') for the year ended 31 August 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 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 draw attention to the disclosures made in note 1 to the financial statements concerning the School's ability to continue as a going concern. The School is forecasting surpluses for the 2023 and 2024 financial years and the 2023 and 2024 budgets show this being maintained with positive cashflows. The School has an agreement with Downside Abbey to fully repay its outstanding bank loan and also has taken a number of steps to improve cashflow. Cash availability is dependent upon a donation being received from Downside Abbey, along with a robust fee debtor collection process as well as putting in place measures to ensure costs are kept in line with budgets. These conditions, along with other matters explained in note 1 to the financial statements indicate the existence of a material uncertainty which may cast significant doubt on the School's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Other information

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

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Governors' Report have 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Governors' Report.

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

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

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Independent Auditor's Report to the Members of Downside School

Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities (set out on page 15), the Governors 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 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 Governors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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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.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

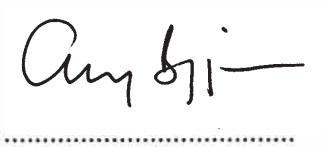
Use of our report

This report is made solely to the charitable company's Governors, 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 charity's Governors 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 its Governors as a body, for our audit work, for this report, or for the opinions we have formed.

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Downside School

Independent Auditor's Report to the Members of Downside School



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Guy Biggin (Senior Statutory Auditor)
For and on behalf of Crowe U.K. LLP, Statutory Auditor
4th Floor, St. James' House
St. James' Square
Cheltenham
GL50 3PR

Date: 31 August 2023

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Downside School

Statement of Financial Activities for the Year Ended 31 August 2022
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 31 August 2022 £
Income and Endowments from:				
Donations and legacies	3	662,368	126,625	788,993
Charitable activities	2	8,760,448	-	8,760,448
Other trading activities	5	139,043	-	139,043
Investment income		5,131	-	5,131
Other income	6	403,335	-	403,335
Total income		9,970,325	126,625	10,096,950
Expenditure on:				
Raising funds		(392,756)	-	(392,756)
Charitable activities	7	(10,337,549)	-	(10,337,549)
Total expenditure		(10,730,305)	-	(10,730,305)
Gains/losses on investment assets		55,200	-	55,200
Net (expenditure)/income		(704,780)	126,625	(578,155)
Net movement in funds		(704,780)	126,625	(578,155)
Reconciliation of funds				
Total funds brought forward		(1,873,670)	-	(1,873,670)
Total funds carried forward	18	(2,578,450)	126,625	(2,451,825)

The notes on pages 27 to 45 form an integral part of these financial statements.

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Downside School

Statement of Financial Activities for the Year Ended 31 August 2022
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 1 February to 31 August 2021 £
Income and Endowments from:			
Donations and legacies	3	265,497	265,497
Charitable activities	2	3,981,088	3,981,088
Other trading activities	5	78,399	78,399
Investment income		1,467	1,467
Other income	6	59,867	59,867
Total income		4,386,318	4,386,318
Expenditure on:			
Raising funds		(338,046)	(338,046)
Charitable activities	7	(5,261,095)	(5,261,095)
Total expenditure		(5,599,141)	(5,599,141)
Gains/losses on investment assets		3,516	3,516
Net expenditure		(1,209,307)	(1,209,307)
Net movement in funds		(1,209,307)	(1,209,307)
Reconciliation of funds			
Total funds brought forward		(664,363)	(664,363)
Total funds carried forward	18	(1,873,670)	(1,873,670)

All of the charity's activities derive from continuing operations during the above two periods.

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Downside School

(Registration number: 11751009)
Balance Sheet as at 31 August 2022

	Note	31 August 2022 £	31 August 2021 £
Fixed assets			
Tangible assets	11	2,111,430	1,860,286
Investments	12	117,000	227,413
		2,228,430	2,087,699
Current assets			
Stocks	13	125,456	117,044
Debtors	14	919,327	913,483
Cash at bank and in hand		1,027,449	996,913
		2,072,232	2,027,440
Creditors: Amounts falling due within one year	15	(4,485,662)	(3,637,213)
Net current liabilities		(2,413,430)	(1,609,773)
Total assets less current liabilities		(185,000)	477,926
Creditors: Amounts falling due after more than one year	16	(2,266,825)	(2,351,596)
Net liabilities		(2,451,825)	(1,873,670)
Funds of the charity:			
Restricted income funds			
Restricted funds		126,625	-
Unrestricted income funds			
Unrestricted funds		(2,578,450)	(1,873,670)
Total funds		(2,451,825)	(1,873,670)

The notes on pages 27 to 45 form an integral part of these financial statements.

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Downside School

(Registration number: 11751009)
Balance Sheet as at 31 August 2022

The financial statements on pages 21 to 45 were approved by the Governors, and authorised for issue on 30 August 2023 and signed on their behalf by:

DocuSigned by:
John Ludlow
F55292F45986422

J M Ludlow
Governor

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Downside School

Statement of Cash Flows for the Year Ended 31 August 2022

	Note	Year ended 31 August 2022 £	1 February to 31 August 2021 £
Cash flows from operating activities			
Net cash expenditure		(578,155)	(1,209,307)
Adjustments to cash flows from non-cash items			
Depreciation		359,265	215,536
Revaluation of investments		(55,200)	(3,516)
		(274,090)	(997,287)
Working capital adjustments			
Increase in stocks	13	(8,412)	(117,044)
(Increase)/decrease in debtors	14	(5,844)	1,188,519
Increase in creditors	15	430,251	141,334
Increase/(decrease) in deferred income	16	411,807	(284,134)
Net cash flows from operating activities		553,712	(68,612)
Cash flows from investing activities			
Purchase of tangible fixed assets	11	(610,409)	(411,645)
Acquisition of investments in subsidiary undertakings	12	-	(1)
Disposal of investments in subsidiary undertakings		-	1
Sale of investments		165,613	-
Net cash flows from investing activities		(444,796)	(411,645)
Cash flows from financing activities			
Value of new loans obtained during the period		-	500,000
Repayment of loans and borrowings	15	(78,380)	(572,402)
Net cash flows from financing activities		(78,380)	(72,402)
Net increase/(decrease) in cash and cash equivalents		30,536	(552,659)
Cash and cash equivalents at 1 September 2021		996,913	1,549,572
Cash and cash equivalents at 31 August 2022		1,027,449	996,913

The notes on pages 27 to 45 form an integral part of these financial statements.

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Downside School

Statement of Cash Flows for the Year Ended 31 August 2022

	Year ended 31 August 2022 £	1 February to 31 August 2021 £
Reconciliation of net cash flow to movement in net funds		
Increase/(decrease) in cash	30,536	(552,659)
Cash outflow from repayment of loans	(78,380)	(72,402)
Change in net debt resulting from cash flows	(47,844)	(625,061)
Net funds at 1 September 2021 and 1 February 2021	996,913	1,549,572
Net funds at 31 August 2022 and 31 August 2021	949,069	924,511

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 27 to 45 form an integral part of these financial statements.

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1 Accounting policies

Company information

Downside School is a charity, registered number 1184700, is a Public Benefit Entity registered as a Charity in England and Wales and is a Company Limited by Guarantee.

The accounting polices of the School, which have been applied consistently throughout the year, are listed below.

Basis of accounting

The financial statements have been prepared in accordance with the 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Going concern

The Governors have prepared the financial statements on a going concern basis as, in their opinion, the School is able to meet its obligations as they fall due.

The School is forecasting surpluses in both the 2023 and 2024 financial years however will not return to positive cashflows until September 2024. The School is mindful of the 'cost of living' and inflation-related pressures faced, together with some political and economic uncertainty that might adversely affect pupil recruitment. This has been factored into its financial forecasts and planning through to August 2025. Cash availability is dependent on the receipt of the final donation due from Downside Abbey General Trust in the 2024 financial year, together with much improved fee debtor collection and control of costs.

These conditions, however indicate that a material uncertainty exists that may cast significant doubt on the School's ability to continue as a going concern.

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To mitigate this the School has taken steps to increase pupil recruitment and retention, including plans to refurbish an existing building to provide a new sixth form centre to help retain more pupils post-GCSE and attract local day pupils into the sixth form. This work will be completed during the 2024 financial year using capital investment funds allocated under the School's catering contract.

The School has also agreed with Downside Abbey General Trust to repurpose the £4 million that was due to the School under the Separation Agreement to ensure the School has sufficient resources to meet its operational needs and to ensure the repayment of the bank loan by August 2024. In addition, Downside Abbey General Trust has undertaken to repay the loan and to make all capital repayments and interest payments from 1 September 2023 until the date when the loan is repaid in full.

Robust financial controls have been implemented to ensure the timely collection of fee debtors and to ensure that costs are contained and kept in line with budget, together with regular financial reporting to monitor performance.

Having considered all of the above, the Governors consider that it is appropriate that the accounts are prepared on a going concern basis and are confident that the measures being taken will secure the future of the School.

Incoming resources

Income is recognised in the period in which the School is entitled to receipt and the amount can be measured with reasonable certainty.

Fees receivable and charges for services and use of the premises are accountable for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School. The School offers means tested bursaries and scholarships which carry a monetary value of remission which is deducted from gross fees. Discounts are also offered to siblings of current pupils, military families and pupils whose parents and grandparents previously attended the School.

Donations and legacies

Donations and any associated income tax reclaimable from HM Revenue and Customs are recognised on a receivable basis. Donations received for the general purpose of the Charity are credited to unrestricted funds. Donations subject to specific wishes are carried to relevant restricted funds.

Legacies are accounted for as they are received or if, before receipt, it becomes reasonably certain that the legacy will be received and the value of the legacy can be measured with reasonable certainty.

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Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Resources expended

Resources expended are accounted for in the period in which they are incurred. Any irrecoverable element of Value Added Tax is included with the item of expense to which is relates.

Where an item of expenditure falls directly within one cost category, it is attributed to that category only. Where expenditure involves more than one category, it is apportioned on a reasonable and justifiable basis.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses.

Tangible fixed assets

Tangible assets are held on the balance sheet at cost less accumulated depreciation. Cost includes the purchase price of the asset plus all costs incurred in bringing the asset in to use. Subsequent expenditure is capitalised where it extends the life or increases the value of the asset.

Depreciation and amortisation

Tangible fixed assets are depreciated on a straight line basis over the following periods:

Asset class	Depreciation method and rate
Equipment, fixtures and fittings	3 to 20 years straight line
Motor vehicles	5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

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Listed investments

Investments are shown in the balance sheet at market value at the balance sheet date.

Realised and unrealised gains and losses on investment assets are included in the Statement of Financial Activities in the year in which they arise. Investment income is credited to income on an accruals basis.

Trade debtors

Debtors are recognised at the corresponding transaction value.

Trade creditors

Creditors are recognised where the School has a present obligation which results from a past event that in all probability, will result in the transfer of funds to a third party and the amount due to settle the obligation can be reliably measured.

Deferred income

The School offers parents the opportunity to pay for up to five years tuition fees in advance in accordance with a written contract. This is treated as deferred income until the pupil joins the School whereupon, the fee for each School term are charged against the remaining balance and taken to income. All amounts are included within creditors due within one year as the amounts are repayable on demand if the pupil leaves.

Retirement benefits

Prior to 31 December 2020, the School contributed to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. That Scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS 17, the Scheme has been accounted for as a defined contribution scheme.

The School exited the Teachers' Pension Scheme with effect from 31 December 2020 and a new defined contribution scheme with Aviva has been provided in its place.

All other pension arrangements are defined contribution schemes where the assets of the schemes are held separately from those of the School in an independently administered fund.

In all cases, the pension cost charges represent contributions payable by the School to the fund.

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Charitable funds

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

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

Critical accounting judgements and estimation uncertainty

The following are considered to be critical accounting judgements made in applying the School's accounting policies:

The following significant estimates and assumptions have been made in applying the School's accounting policies:

The annual depreciation charge for fixed assets is sensitive to changes in the estimated useful economic lives of assets. Estimated lives are reassessed annually and considered to reflect the remaining life of an asset.

The School makes an estimate of the recoverable value of trade and other debtors. Factors such as the ageing profile of the debtors and historical experience are taken into account. Bad debts are considered on a case by case basis by taking into account the likelihood of recovery. Debts are written off by approval of the Governors if this is deemed appropriate.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Government grants

Government grants, as received in 2021 and relating to the UK Government's Covid Job Retention Scheme, are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised 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.

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2 Income from charitable activities

	Unrestricted funds	31 August 2022	1 February to 31 August 2021
	£	£	£
Fee income	8,760,448	8,760,448	3,981,088

Fee income comprises of the following:

	31 August 2022	1 February to 31 August 2021
	£	£
Gross fees	11,281,388	5,495,371
Less: total scholarships, bursaries and fee assistance	(2,717,046)	(1,656,179)
Other fee income	177,452	134,959
Registration fees	18,654	6,937
	8,760,448	3,981,088

3 Donations and legacies

	Unrestricted funds	Restricted	31 August 2022	1 February to 31 August 2021
	£	£	£	£
Donations and gifts	662,368	126,625	788,993	167,645
Grants, including capital grants;				
Government grants	-	-	-	97,852
	662,368	126,625	788,993	265,497

Government grant income relates to the Covid Job Retention Scheme.
Donations includes £300,000 received from Downside Abbey General Trust (2021: £Nil).

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4 Net expenditure

The net expenditure for the period is stated after charging:

	31 August 2022 £	1 February to 31 August 2021 £
Depreciation	359,265	214,230
Auditors remuneration	18,870	42,880
Loan interest	85,684	59,316
Bank charges	17,165	2,468
Bad debt provision	57,001	42,540
	537,985	361,434

5 Income from other trading activities

	Unrestricted funds £	31 August 2022 £	1 February to 31 August 2021 £
Trading income;			
School shop	96,935	96,935	78,399
Pitch and nets hire	1,175	1,175	-
Events income;			
Shows and events	160	160	-
Recharges to Downside Abbey General Trust	40,773	40,773	-
	139,043	139,043	78,399

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6 Other income

	Unrestricted funds £	Total Funds 31 August 2022 £	Total 1 February to 31 August 2021 £
Fees and supplies	19,344	19,344	-
Rental income	383,991	383,991	-
Other income	-	-	59,867
	403,335	403,335	59,867

7 Expenditure on charitable activities

	Teaching	Welfare	Premises	Support	Total year ended 31 August 2022	Total 1 February to 31 August 2021
Staff costs	3,947,322	785,574	448,371	922,238	6,103,505	3,286,240
Expenditure on raising funds	-	-	-	392,756	392,756	339,353
Depreciation and impairment	-	-	355,027	-	355,027	215,537
Other costs	441,591	1,230,925	1,203,530	861,876	3,737,922	1,671,037
Governance costs	-	-	-	141,095	141,095	86,947
	4,388,913	2,016,499	2,006,928	2,317,965	10,730,305	5,599,114
Analysis by fund						
Unrestricted funds	4,388,913	2,016,499	2,006,928	2,317,965	10,730,305	-
For the period 1 February to 31 August 2021						
Unrestricted funds	2,386,430	914,427	1,008,172	1,290,112	-	5,599,141

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8 Analysis of governance and support costs

Governance costs

	Unrestricted funds £	31 August 2022 £	1 February to 31 August 2021 £
Audit fees			
Audit of the financial statements	18,870	18,870	42,880
Legal and professional fees	119,578	119,578	43,602
Governors expenses	2,646	2,646	492
	141,094	141,094	86,974

9 Staff costs

The aggregate payroll costs were as follows:

	31 August 2022 £	1 February to 31 August 2021 £
Staff costs during the year were:		
Wages and salaries	5,011,405	2,708,125
Social security costs	464,854	241,813
Pension costs	522,749	298,769
Other staff costs	104,497	37,533
	6,103,505	3,286,240

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The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was as follows:

	31 August 2022 No	1 February to 31 August 2021 No
Teaching	70	64
Other	127	125
	197	189

Key management personnel of the School are deemed to be the Senior Leadership Team. The total amount paid to key management personnel, including employers pension, National Insurance contributions and any benefits in kind was £552,953 (seven months to 31 August 2021 - £386,741).

The Governors received no remuneration. Governors were reimbursed travel and training expenses totalling £2,646 (seven months to 31 August 2021- £492).

The number of employees whose emoluments fell within the following bands was:

	31 August 2022 No	1 February to 31 August 2021 No
£60,001 - £70,000 per annum	2	4
£70,001 - £80,000 per annum	1	1
£120,001 - £130,000 per annum	-	1
£130,001 - £140,000	1	-

The pension contributions included within the above bands amounts to £58,936 (seven months to 31 August 2021 - £38,193).

During the year termination payments were made totalling £5,630 (period to 31 August 2021: £Nil).

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10 Taxation

The School is a registered charity and as such, is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the School's primary objectives if these profits and surpluses are applied solely for charitable purposes.

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 September 2021	177,476	2,398,918	4,000	2,580,394
Additions	243,547	366,862	-	610,409
At 31 August 2022	421,023	2,765,780	4,000	3,190,803
Depreciation				
At 1 September 2021	1,075	717,766	1,267	720,108
Charge for the year	3,438	355,027	800	359,265
At 31 August 2022	4,513	1,072,793	2,067	1,079,373
Net book value				
At 31 August 2022	416,510	1,692,987	1,933	2,111,430
At 31 August 2021	176,401	1,681,152	2,733	1,860,286

12 Fixed asset investments

	31 August 2022 £	1 February to 31 August 2021 £
Other investments	117,000	227,413

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Other investments

	Listed investments £	Unlisted investments £	Total £
Cost or Valuation			
At 1 September 2021	61,800	165,613	227,413
Revaluation	55,200	-	55,200
Disposals	-	(165,613)	(165,613)
At 31 August 2022	117,000	-	117,000
Net book value			
At 31 August 2022	117,000	-	117,000
At 31 August 2021	61,800	165,613	227,413

Downside School held a beneficial interest in an unlisted investment fund jointly with Downside Abbey General Trust. The School had a 22% beneficial interest in this joint holding.

The listed investment represents a beneficial interest in 6,000 shares held in Telecom Plus PLC.

13 Stock

	31 August 2022 £	1 February to 31 August 2021 £
School shop	125,456	117,044

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14 Debtors

	31 August 2022	1 February to 31 August 2021
	£	£
Trade debtors	367,616	594,422
Prepayments and accrued income	391,649	217,587
Other debtors	160,062	101,474
	919,327	913,483

Trade debtors above are stated net of bad debt provisions totalling £181,928 (period to August 2021 - £180,575)

15 Creditors: amounts falling due within one year

	31 August 2022	1 February to 31 August 2021
	£	£
Bank borrowings	154,517	148,126
Trade creditors	352,500	104,694
Other taxation and social security	221,139	168,271
Other creditors	1,320,588	1,308,307
Accruals	497,396	380,100
Fees in advance	1,657,701	1,340,596
Advance fees scheme	281,821	187,119
	4,485,662	3,637,213

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Fees received under the fees in advance scheme will be applied as follows:

	31 August 2022 £	1 February to 31 August 2021 £
Within 1 to 2 years	129,073	116,980
Within 2 to 5 years	152,748	70,139
	281,821	187,119

The advanced fees balance represents the accrued liability under the contracts. Capital movements during the period were:

	31 August 2022 £	1 February to 31 August 2021 £
Balance brought forward	187,119	297,036
New contracts	190,192	-
Amounts utilised	(95,490)	(109,917)
	281,821	187,119

16 Creditors: amounts falling due after one year

	31 August 2022 £	1 February to 31 August 2021 £
Bank loan	2,266,825	2,351,596

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The bank loan was adopted as part of the separation of the School from Downside Abbey General Trust and has a term of five years from the separation date. The bank loan is secured against the main School site which is leased from Downside Abbey General Trust for a period of 125 years.

The ageing of the bank loan falls to be repaid as follows:

	31 August 2022 £	1 February to 31 August 2021 £
Due within one year	154,517	148,126
Due within one to two years	2,266,825	154,517
Due within three to five years	-	2,197,079
	2,421,342	2,499,722

17 Obligations under leases and hire purchase contracts

The annual commitments under non-cancellable operating leases were:

	31 August 2022 £	1 February to 31 August 2021 £
Land and buildings		
Within one year	273,940	334,758
Between one and five years	1,629,167	1,383,633
After five years	49,158,331	50,220,832
	51,061,438	51,939,223
Fixtures and fittings		
Within one year	33,941	35,620
Between one and five years	28,661	18,057
	62,602	53,677

Operating leases for land and buildings principally relate to the long term lease granted by Downside Abbey General Trust for the School premises.

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18 Funds

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2022 £
Unrestricted funds					
Unrestricted funds					
Unrestricted funds	(1,873,670)	9,970,325	(10,730,305)	55,200	(2,578,450)
Restricted funds					
Sill Organ Scholarship	-	126,625	-	-	126,625
Total funds	(1,873,670)	10,096,950	(10,730,305)	55,200	(2,451,825)

	Balance at 1 February 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2021 £
Unrestricted funds					
Unrestricted funds					
Unrestricted funds	(664,363)	4,386,318	(5,599,141)	3,516	(1,873,670)

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19 Analysis of net liabilities between funds

	Unrestricted funds £	Restricted funds £	Total funds 31 August 2022 £
Tangible fixed assets	2,111,430	-	2,111,430
Fixed asset investments	117,000	-	117,000
Net current assets	(2,540,055)	126,625	(2,413,430)
Creditors over 1 year	(2,266,825)	-	(2,266,825)
Total net liabilities	(2,578,450)	126,625	(2,451,825)

	Unrestricted funds £	Total funds 31 August 2021 £
Tangible fixed assets	1,860,286	1,860,286
Fixed asset investments	227,413	227,413
Net current assets	(1,609,773)	(1,609,773)
Creditors over 1 year	(2,351,596)	(2,351,596)
Total net liabilities	(1,873,670)	(1,873,670)

20 Pension and other schemes

The School has participated in the following pension schemes:

a) The Teacher's Pension Scheme (defined benefit); and
b) Defined contribution pension schemes, the assets of which are held separately from those of the School in independently administered funds.

The total pension cost charge represents contributions payable by the School to these schemes as follows:

	31 August 2022 £	1 February to 31 August 2021 £
Defined contribution schemes	522,749	298,769

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The following amounts had not been paid to the schemes at the year-end:

	31 August 2022	1 February to 31 August 2021
	£	£
Defined contribution schemes	128,215	12,109

21 Contingent assets

As part of the School's separation Agreement, Downside Abbey General Trust undertook to contribute funds towards maintenance works to be carried out on the School estate. These works were capped at £4 million, with payments receivable as works were carried out. However, in order to support the School as it recovers from the COVID pandemic and seeks to re-establish profitability and positive cash flow, Downside Abbey General Trust has formerly agreed to repurpose this contribution in the form of actual donations of £1 million and reduced rent of premises from £425,000 to £212,500 annually up to 31 December 2023. It has further undertaken to meet all interest and principal repayment obligations from 1 September 2023 under the loan in the School's name and to arrange its repayment in full by August 2024, of which £2.4 million is currently outstanding. Contribution of the balance up to £4 million is to be clarified, with the intention of it being used to support the School.

22 Financial instruments

Financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are valued at fair value. Financial assets held at amortised cost comprise of cash at bank an in hand, together with trade and other debtors and fee debtors. A specific provision is made for debts where recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise of all creditors except social security and other taxes and provisions.

Financial assets held at amortised costs total £4,183,662 (31 August 2021 - £3,887,726) and held at fair value total £117,000 (31 August 2021 - £227,413).

Financial liabilities held at amortised costs total £6,752,487 (31 August 2021 - £5,988,809).

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23 Related party transactions

During the year ended 31 August 2022, transactions totalling £667,791 (seven months ended 31 August 2021 - £408,547) were paid to Downside Abbey General Trust where Very Rev Dom Nicholas P Wetz is a Trustee and controller of the Trust. The charges relate to services provided to the School and were charged at market value.

During the year ended 31 August 2022, costs were recharged to Downside Abbey General Trust of £40,773 (seven month period to 31 August 2021 - £18,699)

As at the balance sheet date the amount due to the School from Downside Abbey General Trust was £58,336 (31 August 2021 - £23,673).

The School reimbursed expenses to three directors totalling £636 (seven months ended 31 August 2021 - £Nil) during the year.

The School paid a total of £2,010 (seven months ended 31 August 2021 - £492) in Governors' expenses, during the year for the benefit of all Governors.

DOWNSIDE SCHOOL

England & Wales - Charity number 1184700

Accounts

Company registration number: 11751009

Charity registration number: 1184700

Downside School

(A company limited by guarantee)

Annual Report and Financial Statements

for the period from 1 February 2021 to 31 August 2021

Downside School

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Downside School

Reference and Administrative Details

Governors (also members)	M F T Bernard (Chair from 29 April 2022) $#
	J M Ludlow (Deputy chair) $#+
	Very Rev Dom N P Wetz #
	C M Hughes O.B.E #
	H A H Dickinson #
	A C Martin $
	T J Wilcox #~
	A C G Griffin $
	J M T Ogilvy-Stuart #
	A Barrett #
	R Jenkins $
	A Lynch #
	Dr R G G Mercer (Resigned 31 March 2022)
	J A Scott-Gatty (Resigned 1 April 2022)

$ Member of general finance and resources committee
Member of education committee
+ Responsibility for health and safety
~ Responsibility for safeguarding

Downside School

Reference and Administrative Details

Clerk to the Governors	V Locke (appointed 6 November 2020)
Charity Registration Number	1184700
Company Registration Number	11751009
Registered Office	Stratton-on-the-Fosse Radstock Somerset BA3 4RJ
Head	A Hobbs
Auditors	Crowe U.K. LLP 4th Floor, St. James' House St. James' Square Cheltenham GL50 3PR
Bankers	Barclays Bank PLC 4 Queen Street Bath BA1 1HE
Solicitors:	Stone King 13 Queens Square Bath BA1 2HJ

Downside School

Governors' Report

The Governors of Downside School, who are also the Directors of the school for the purposes of the Companies Act and Trustees for the purposes of the Charities Act (but herein after are refered to as Governors), present their annual report and the audited financial statements for the Period ended 31 August 2021. The annual report serves the purpose of both a Trustees Report and a Directors Report under company law. The financial statements comply with the Charities Act 2011, the Charities Statement of Recommended Practice (second edition) and the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102).

Reference and Administrative Details

Downside School separated from Downside Abbey General Trust which owned and ran Downside School on 11 September 2019 and formed its own Company limited by guarantee, registered number 11751009. The School is also a Charity, registered number 1184700. The Governors, executive officers and principal address of Downside School are listed on page 1 together with the particulars of the Charity's professional advisors.

Structure, governance and management

Nature of governing document

The Charity is governed by its Memorandum and Articles of Association as amended on 22 July 2019.

The Governors who held office during the period are shown on page 1. The structure of the Charity consists of one Governing Body of not more than twelve Governors for Downside School.

Downside School

Governors' Report

Recruitment and appointment of Governors

The Board of Governors shall include the Abbot of Downside Abbey (or an individual appointed by the Abbot), one Governor appointed by the Bishop of the Roman Catholic diocese in which any school operated by the Charity is located and a minimum of six other Governors. The total number of Governors shall not exceed twelve.

New Governors are appointed by ordinary resolution of the Governors and eligibility is subject to personal competence, specialist skills and availability. New Governors are inducted into the working of the Charity and the management of the school, including its policies and procedures, at training meetings organised for them by the Chairman, the Head and the Clerk to the Governors. Governors' training needs are assessed on an individual basis and training is given as appropriate. Recent training included attending an in-house session on Child Protection and Safeguarding. All Governors are required to and have undertaken a Safeguarding on line training course supplied by Educare. Regular guidance notes and information from AGBIS is received by the Clerk and forwarded to all Governors.

Senior personnel are recruited on the basis of national advertisement and selection by Governors and other senior personnel. The Governors' Finance and Resources Committee considers the remuneration of senior personnel where appropriate at their summer term meeting. Consideration is given to benchmarking, in particular the Association of Governing Bodies of Independent Schools (AGBIS) Survey on Heads and Bursars Remuneration, market information and time in their position. Governors will also consider performance against objectives.

Organisational structure

The Governors are legally responsible for the overall management and control of Downside School and meet, either in person or virtually, at least three times a year. There are two sub-committees; during the period to 31 August 2021- the Education Committee was chaired by Catherine Hughes and the General Finance and Resources Committee was chaired by James Scott-Gatty. Both committees meet regularly to consider their specific issues prior to presenting their recommendations or proposals to the full Board. The General Finance and Resources Committee is responsible for considering Business Risk throughout the year and reporting on this issue to the full Board during the summer term. The members of each sub-committee are listed on page 1. In addition, there are two Governors with specific responsibilities for Health and Safety and Safeguarding. During the period to 31 August 2021 these were John Ludlow and Terri Wilcox respectively.

The day to day running of the School is delegated to the Head, supported in this by the Senior Leadership Team of the School. This comprises the Director of Operations, the Director of Finance and the Deputy Head. Relevant members of the Leadership Team attend the Governors' sub-committee and full Board meetings.

Governors' indemnities

As permitted by the Articles of Association, the Governors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the financial period and remains in force in the current year. The Company also purchased and maintained throughout the financial period Governors' and Officers' liability insurance in respect of itself and its Governors.

Major risks and management of those risks

The major risks to which the School is exposed, as identified by the Governors, have been reviewed and systems have been established to mitigate those risks.

The following are the principal risks and uncertainties facing the school:
- Impact on reputation of event, fraud, accident, media coverage etc;
- Maintenance in pupil numbers affecting liquidity and cash flows;
- Maintenance of effective senior leadership.

The following is a summary of the School's plans and strategies for managing those risks:
- Compliance with regulatory requirements; ongoing self-evaluation of teaching, curriculum etc; SWOT analysis; regular review of Disaster Recovery Plan; compliance with Child Protection policies and procedures; Governor oversight;
- Regular Governor self-evaluation; regular Governor training; regular Governor and sub-committee meetings;
- The school operates an effective marketing strategy to maintain/increase pupil numbers.

Group structure and relationships

Downside School actively supports the attainment of the highest standards in the Independent Schools sector. To this end, it actively networks with other leading schools and participates in peer group studies for the evaluation of quality and performance improvement methods. The School also cooperates with many local charities in an ongoing endeavour to widen public access to the schooling that it can provide, to optimise the educational use of its cultural and sporting facilities and to awaken in its pupils, in the public interest, an awareness of the social context of the all-round education they receive at the School. Downside School also benefits from the generosity of past pupils through the St. Gregory's Society and from parents and others through the Downside Association.

The Charity has a wholly owned non-charitable subsidiary, Downside School Enterprises Limited, which principally operates a school shop and also generates income for the School through the letting of its facilities during school holidays.

The School maintains a close relationship with Downside Abbey General Trust with whom they share part of the site and some of the site's facilities and resources. The legal governance arrangements between the School and Downside Abbey General Trust include appropriate robust provisions for pupil safeguarding.

Objects, aims, objectives and activities

Charitable objects

The School's charitable objects are;

1. To advance Roman Catholic education in the Benedictine tradition and the Roman Catholic faith in particular, but without prejudice to the generality of the foregoing, by running a school known as Downside School;
2. To advance education by providing facilities for the education and training of children and young people provided that such provision shall be ancillary or incidental only to the running of a school know as Downside School in accordance with the above;
3. To support the work of the Downside Abbey General Trust.

Public benefit aims and intended impact

The Trustees have regard to the Charity Commission's guidance on public benefit. To achieve these objects, the public benefit aim is to provide a Catholic and Benedictine education focused on the formation of young people to enable them to realise their potential as contributors to society. Downside focuses on academic excellence and aims to develop the character of its pupils, emphasising the importance of moral courage, integrity and service to others.

The School also fosters the highest standards in sport, both in performance and sportsmanship, and in the arts has a tradition of inspired theatrical productions. The school endeavours, in addition, to give children an appreciation of 'the poetry of life', a sense of its beauty, form, mystery and joy.

The School contributes to the Camino Partnership of Catholic Schools in the southern part of the Diocese of Clifton to promote Catholic education. The partnership provides a network of support to fellow schools and shares expertise from Chaplaincy and the teaching of religious studies to Heads and Governors of schools. The partnership involves both primary and secondary schools from the maintained and independent sector.

The School regularly hosts events for local primary schools, including modern language days, choral singing days, sporting events and 'Race for the Line' events. Pupils and staff support the learning of Spanish in a local primary school.

Pupils participate in a number of Community service activities, including a soup run in Bath and visiting local homes for the elderly, primary schools and other social institutions. They also raise funds for a number of different charitable organisations, including Mary's Meals, and CAFOD. Pupils take part in an annual overnight sleep out in support of charities supporting the homeless.

The School has implemented a number of environmentally conscious waste disposal and recycling schemes, reflecting its commitment to green issues and to encourage a socially conscious outlook amongst its pupil body.

The School's outreach work has included its specialist sports staff coaching, refereeing and umpiring at a number of Prep Schools and also working with local primary schools.

The School has forged a strong relationship with Bath Rugby, and on occasions hosts the Bath Development Player Programme where the School regularly hosts 40-50 boys at under aged 14 and below.

Downside is the satellite coaching hub for Somerset Cricket Board in the North of the county, seeing hundreds of talented players (girls and boys) visit Downside for training. We also host County Age Group fixtures at junior level.

Objectives for the period

The Charity's objectives for the period were to continue to embed the educational offering which commenced in September 2019. The separation from Downside Abbey General Trust required new structures to be implemented and facilities resourced.

The new vision statement is 'Downside's vision, as a Catholic and Benedictine school with Christ at its centre, is to be a bright light in education and to inspire service in our world.'

The School also reviewed and amended its mission statement to read:

'We will renew and strengthen our roots as a Catholic community, building relationships internationally, to become a school, which serves our world through its formation and education of young people, with the resources to meet our charitable objectives sustainably.'

Under this mission statement lie four key principles that seek to cover all areas of school life:

- We see it as our purpose to awaken and nurture a lifelong commitment to learning and growing (conversatio morum - Rule of St. Benedict);
- The relationship between the family and the school is one of dedicated and accountable partners;
- We challenge the transactional and utilitarian view of education;
- Specific and measurable outcomes need to be used as important indicators of how well the partnership is working.

The guiding policy for our principles is the parable of the talents which will be our model for gauging performance and the parables of the lost sheep and the prodigal son will provide our pattern for pastoral care.

The key strategies are:

- We will invest in building a strong faith based culture that challenges our pupils to make their unique contribution, with the help of all in the Downside community;
- We will establish a programme of staff retreats to underpin the Catholic and Benedictine culture of the School;
- We will embed the Relationship and Sex Education (RSE) programme so that respect will be at the heart of every relationship in our community;
- We will value and celebrate pupil engagement and achievement, recognising the unique contribution of each individual in accordance with their talents;
- Working with the wider Downside Community, we will establish a funding stream which provides one fully subsidised place for an academic scholar in each year group by 2026;
- We will ensure that the School is successfully funded to continue its work.

Achievements and performance

The School had no fundraising activities requiring disclosure under S162A of the Charities Act.

Fee remission policy

During the period the value of scholarships, grants, prizes and bursaries made to the School's pupils out of unrestricted funds totalled £1,656,179 (year to 31 January 2021 - £2,791,485). Of this, £225,020 (year to 31 January 2021 - £502,662) being 4.1% of fee income, (year to 31 January 2021 - 5.1%) was awarded in Scholarships and £1,431,159 (year to 31 January 2021 - £2,288,823) being 25.9% of fee income (year to 31 January 2021 - 23.3%), in bursaries and discounts.

All bursaries are means-tested according to the school's policy and criteria. The remainder of the funds cover fees to overseas and British Agents, standardised discounts to members of the armed forces, members of staff and siblings of current pupils. The School does not benefit from any endowments to fund scholarships. The policy of the Governors is to make awards on the basis of the individual's educational, musical, artistic or sporting potential, or to relieve hardship where the pupil's education and further prospects would otherwise be at risk. Details of such awards for fee-assistance, together with the terms and conditions for each kind of award, are available from the Bursary.

Details of the Reserves Policy, plans for future periods and financial risk management are included within the Strategic Report.

Disclosure of information to auditor

Each member has taken steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The Governors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the Governors of the charity on ..... and signed on its behalf by:

.....
J M Ludlow
Governor

Achievements and performance

Whole school

The continuation of the Coronavirus pandemic during this period meant the continuation of the unprecedented challenges for the School. This required the education to move online and to reimagine how to maintain the broader life beyond the curriculum. As a Catholic and Benedictine school, the spiritual life of the community is fundamental to its culture and although pupils and staff were not together in person, School and House assemblies, hymn practices and lectio divina continued and provided confidence and stability. The School's online provision was extremely well received by pupils and parents.

Despite the challenge of online and blended learning, which remained in place for all throughout the Lent term and for some during the Summer term, the pupils of all abilities continued to achieve extremely well academically. The Teacher Assessed Grades in both A level (56 % A*/A and 79% A*-B) and GCSE (56.4% 9-7 and 88.9% 9-5) in the Summer of 2021 showed that Downside pupils once again performed exceptionally.

Music and drama are an essential aspect of building confidence and provide pupils with a superb opportunity to work collaboratively.

Music is a central aspect of school life. There are three Chamber Choirs at Downside: a boys' choir, a girls' choir and a mixed choir. They specialise in a cappella performances, sacred and secular, and rehearse weekly. Membership is by invitation. The Chamber Choirs sing Mass on some Sundays and are much in demand for concerts. When the pupils were absent from school during lockdown there were online collaborations and recordings.

Orchestral, band and chamber music also flourish at Downside, with frequent concerts and weekly recitals. The Combined Cadet Force (CCF) and Pipe Bands are also in demand. The CCF band plays for the annual CCF inspection, and accompanies the Remembrance Day service. Both bands regularly perform at School concerts and parades, as well as at private functions. We also have Jazz, Rock and Concert Bands, a Saxophone Group and a Drum Line, amongst others. The CCF band has led the Remembrance Parade in Bath for a number of years and the Pipe Band plays annually at the Stratton-on-the-Fosse Village Day in September. As with singing the orchestral and band music was limited by the restrictions caused by the pandemic.

In Art, pupils are encouraged to explore as many styles and media as possible. With an Artist-in-Residence, and regular visits to exhibitions, galleries and museums, pupils are provided with lots of inspiration. In Design and Technology pupils combine practical and technological skills with creative thinking to design and make products and systems that meet human needs. They learn to use current technologies and consider the impact of future technological developments. They learn to think creatively and intervene to improve the quality of life, solving problems as individuals and members of a team.

Through Downside's Combined Cadet Force, pupils throughout the School are able to take part in a broad range of challenging, exciting and adventurous activities. All Third Form (aged 13+) pupils are able to experience the full range of CCF activity during the academic year. At the end of the Third Form, pupils can elect to move onto the Royal Navy, or Army, section in their senior years at Downside. One full afternoon per week is allocated to CCF activity, with additional camps, expeditions and training sessions scheduled throughout the year. Obviously expeditions were curtailed by the lockdown.

A vast range of sporting opportunities are available to pupils and the philosophy held by pupils and staff is to adopt a positive mental attitude and develop an exceptional work ethic. We promote fitness and enjoyment and aim to develop each pupil's personal best. Pupils are offered a wide range of options including rugby, hockey, football, netball, cross country, cricket, tennis and athletics. Teams are fielded for all age groups. The School maintained an online sports programme during lockdown, providing for all pupils. There was also a comprehensive and detailed programme for sports scholars and those in elite pathways.

Financial review

The income for the period ended 31 August 2021 was £4,388,067 (year to 31 January 2021 - £8,866,119) with the fee income being £4,024,966 (year to 31 January 2021 - £7,225,084). Expenditure amounted to £5,563,179 (year to 31 January 2021 - £9,058,046), The principal funding source for the period was fee income which supported the key objectives of the School in providing education to pupils.

The worldwide Coronavirus pandemic (COVID-19) continued to impact the financial period. All pupils continued with remote learning for the remainder of the Lent term and for some this remained throughout the Summer term. Fees were charged at a reduced rate to recognise the alternative offer which negatively impacted upon the Schools finances. An additional impact on the anticipated income occurred due to the loss of Summer School and other lettings income. The Governors recognised this significant impact, taking this into account in the School's financial management.

Expenditure on charitable activities was lower than anticipated. This was due to the closure of the School which resulted in savings in variable costs and consumables. Staff costs were also significantly reduced due to Government employee furlough financial support. The Governors have recognised the need for cost control in order to ensure the School's continuing financial viability.

Bank loans

The Charity has taken over a loan originally taken out by Downside Abbey General Trust, amounting to £2,499,722 outstanding at 31 August 2021, and is responsible for capital repayment and interest costs.

Government support

The Government implemented a number of business support schemes of which a number were available to schools. During the period, the School received Government Grants from the Coronavirus Job Retention Scheme (CJRS) amounting to £97,852.

Reserves policy

The Charity commenced trading on 11 September 2019 with nil reserves. Since then, it has suffered losses and therefore, there are negative reserves at the start of this period.

The Charity's assets are sufficient to meet its obligations, however income for the period continued to be affected by COVID-19 which has had a significant effect on working capital. At the end of the period (31 August 2021), there were no restricted funds and no material amounts designated or otherwise committed. The reserves policy now and in the future is to build up resources by means of annual operating surpluses whilst continuing to invest in resources for current and future pupils.

Investment policy and objectives

The School has a beneficial interest in an investment at a value of £165,613 at 31 August 2021 (31 January 2021 - £145,656). These are 23% of the shares held by Downside Abbey General Trust and remain in the name of the Trust. The percentage transferred to the school's ownership is stated in the legal Separation Agreement between the Trust and the School. The School also has a beneficial interst in shares in Telecom Plus PLC to the value of £61,800 as 31 August 2021 (31 January 2021 - £78,240). These are also held in the name of Downside Abbey General Trust and stated as transferred to the School under the terms of the Separation Agreement.

Principal risks and uncertainties

The Governors are responsible for the management of the risks faced by the Charity. Detailed considerations of the risks are delegated to the General Finance and Resources Committee, which is assisted by the Head and the Director of Finance. Risks are identified, assessed and controls are established throughout the year. A formal review of the Charity's Risk Management process is undertaken on an annual basis. The key controls used by the Charity include

- Formal agendas for all Committee and Board activities;
- Detailed terms of reference for all Committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear authorisation and approved levels; and
- Vetting procedures as required by law for the protection of the vulnerable.

Through the risk management process established for the Charity, the Governors are satisfied that major risks are identified and appropriately mitigated where necessary.

Principal risks are identified as being:

- Maintaining pupil numbers; and
- The bank withdrawing its loan facility.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Financial risk management

The Charity's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and interest rate risk. The School is exposed to credit risk as its main customers are the parents of pupils. The School is active in discussing payment terms with parents and agreeing payment plans where required. The School is exposed to liquidity risk but minimises the exposure by actively monitoring its monthly cash flow. Similarly, the School is also exposed to a rise in interest rates which it minimises by ensuring a reasonable contingency amount within the appropriate budget heading. In addition, the Charity has in place a risk management programme that seeks to limit the adverse effect on the financial performance of the Charity. The School has some boarding pupils from European countries and this market may be affected by the recent exit from the European Union.

Going concern

The School has prepared detailed forecasts through to August 2024 which reflect the School's strategy to generate surpluses and positive cash flows. The Governors and Downside Abbey General Trust have also agreed to repurpose the latter's financial support amounting to £4m, under the School's Seperation Agreement with it, as set out in note 20. This is to ensure that the School has sufficient financial resources to meet its operational needs and to ensure repayment of the bank loan whihc it has taken over from Downside Abbey General Trust.

The School is currently facing new cost of living and inflation related pressures, which are anticipated to have an impact and have been factored into its financial forecasts and planning. Notwithstanding these pressures, the School is forecasting surpluses and positive cash flows and as such the Governors are of the opinion that the accounts should be prepared on a going concern basis.

Plans for future periods

We use historical data and trends (along with other information gathering and research) as the basis for forecasting pupil numbers. The number of pupils at the school dictates the allocation of resources and so our long term strategic plan and forecasts may change depending on factors such as uncertainty in the wider economy or Government imposed statutory or regulatory changes.

The strategic report was approved by the Governors of the charity on ..... and signed on its behalf by:

.....
J M Ludlow
Governor

Downside School

Statement of Governors' Responsibilities

The Governors (who are also the directors of Downside School for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with 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".

Company law requires the Governors to prepare financial statements for each financial period. 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 charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

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

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Governors of the charity on ..... and signed on its behalf by:

.....
J M Ludlow
Governor

Downside School

Independent Auditor's Report to the Members of Downside School

Opinion

We have audited the financial statements of Downside School (the 'charity') for the period from 1 February 2021 to 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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 Governors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors 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.

Other information

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

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Governors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Governors' Report have 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Governors' Report.

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

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

Downside School

Independent Auditor's Report to the Members of Downside School

Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities (set out on page 16), the Governors 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 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 Governors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud

Use of our report

This report is made solely to the charitable company's Governors, 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 charity's Governors 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 its Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Downside School

Independent Auditor's Report to the Members of Downside School

.....
Guy Biggin (Senior Statutory Auditor)
For and on behalf of Crowe U.K. LLP, Statutory Auditor
4th Floor, St. James' House
St. James' Square
Cheltenham
GL50 3PR

Date:.....

Downside School

Statement of Financial Activities for the Period from 1 February 2021 to 31 August 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	7 Months 1 February to 31 August 2021 £
Income and Endowments from:			
Donations and legacies	3	265,497	265,497
Charitable activities	2	4,024,966	4,024,966
Investment income		1,467	1,467
Other income		96,137	96,137
Total income		4,388,067	4,388,067
Expenditure on:			
Raising funds		(298,001)	(298,001)
Charitable activities	7	(5,265,178)	(5,265,178)
Total expenditure		(5,563,179)	(5,563,179)
Gains/losses on investment assets		3,516	3,516
Net expenditure		(1,171,596)	(1,171,596)
Net movement in funds		(1,171,596)	(1,171,596)
Reconciliation of funds			
Total funds brought forward		(664,363)	(664,363)
Total funds carried forward		(1,835,959)	(1,835,959)

The notes on pages 27 to 45 form an integral part of these financial statements.

Downside School

Statement of Financial Activities for the Period from 1 February 2021 to 31 August 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 31 January 2021 £
Income and Endowments from:			
Donations and legacies	3	1,551,259	1,551,259
Charitable activities	2	7,225,084	7,225,084
Other trading activities	6	5,600	5,600
Investment income		6,509	6,509
Other income		77,667	77,667
Total income		8,866,119	8,866,119
Expenditure on:			
Raising funds		(513,774)	(513,774)
Charitable activities	7	(8,544,272)	(8,544,272)
Total expenditure		(9,058,046)	(9,058,046)
Gains/losses on investment assets		(20,437)	(20,437)
Net expenditure		(212,364)	(212,364)
Net movement in funds		(212,364)	(212,364)
Reconciliation of funds			
Total funds brought forward		(451,999)	(451,999)
Total funds carried forward		(664,363)	(664,363)

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 22.

Downside School

(Registration number: 11751009)
Balance Sheet as at 31 August 2021

	Note	31 August 2021 £	31 January 2021 £
Fixed assets			
Tangible assets	11	1,860,286	1,664,178
Investments	12	227,414	223,896
		2,087,700	1,888,074
Current assets			
Debtors	13	1,039,903	2,102,002
Cash at bank and in hand		996,913	1,549,572
		2,036,816	3,651,574
Creditors: Amounts falling due within one year	14	(3,608,879)	(3,777,269)
Net current liabilities		(1,572,063)	(125,695)
Total assets less current liabilities		515,637	1,762,379
Creditors: Amounts falling due after more than one year	15	(2,351,596)	(2,426,742)
Net liabilities		(1,835,959)	(664,363)
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		(1,835,959)	(664,363)
Total funds		(1,835,959)	(664,363)

The financial statements on pages 22 to 45 were approved by the Governors, and authorised for issue on ..... and signed on their behalf by:

.....
J M Ludlow
Governor

The notes on pages 27 to 45 form an integral part of these financial statements.

Downside School

Statement of Cash Flows for the Period from 1 February 2021 to 31 August 2021

	Note	31 August 2021 £	31 January 2021 £
Cash flows from operating activities			
Net cash expenditure		(1,171,596)	(212,364)
Adjustments to cash flows from non-cash items			
Depreciation		215,536	376,646
Revaluation of investments		(3,516)	20,437
		(959,576)	184,719
Working capital adjustments			
Decrease in stocks		-	28,460
Decrease in debtors	13	1,062,099	678,281
Increase in creditors	14	113,000	53,910
Decrease in deferred income	15	(284,134)	(455,133)
Net cash flows from operating activities		(68,611)	490,237
Cash flows from investing activities			
Purchase of tangible fixed assets	11	(411,645)	(126,283)
Acquisition of investments in subsidiary undertakings	12	(1)	-
Net cash flows from investing activities		(411,646)	(126,283)
Cash flows from financing activities			
Repayment of loans and borrowings	14	(72,402)	(140,279)
Net (decrease)/increase in cash and cash equivalents		(552,659)	223,675
Cash and cash equivalents at 1 February 2021		1,549,572	1,325,897
Cash and cash equivalents at 31 August 2021		996,913	1,549,572

The notes on pages 27 to 45 form an integral part of these financial statements.

Downside School

Statement of Cash Flows for the Period from 1 February 2021 to 31 August 2021

Reconciliation of net cash flow to movement in net funds		
(Decrease)/increase in cash	(552,659)	223,675
Cash outflow from repayment of loans	(72,402)	(140,279)
Change in net (debt)/funds resulting from cash flows	(625,061)	83,396
Other non-cash movements	-	5,103
Movement in net (debt)/funds	(625,061)	88,499
Net funds at 1 February 2021	1,549,572	1,325,897
Net funds at 31 August 2021	924,511	1,414,396

All of the cash flows are derived from continuing operations during the above two periods.

1 Accounting policies

Company information

Downside School is a charity, registered number 1184700, is a Public Benefit Entity registered as a Charity in England and Wales and is a Company Limited by Guarantee.

The accounting polices of the School, which have been applied consistently throughout the year, are listed below.

Basis of accounting

The financial statements have been prepared in accordance with the 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Going concern

The Governors have prepared the financial statements on a going concern basis as, in their opinion, the School is able to meet its obligations as they fall due.

The School has prepared detailed financial forecasts through to August 2024 which reflect the School’s strategy to generate surpluses and positive cash flows. The Governors and Downside Abbey General Trust have also agreed to repurpose the latter's financial support, amounting to £4m, under the School's Seperation Agreement with it,This is to ensure that the School has sufficient financial resources to meet its operational needs and to ensure repayment of the bank loan, which it has taken over from Downside Abbey General Trust.

The School is currently facing new cost of living and inflation related pressures, which are anticipated to have an impact and have been factored in to its financial forecasts and planning. Notwithstanding these pressures the School is forecasting surpluses and positive cash flows and as such the Governors are of the opinion that the accounts should be prepared on a going concern basis.

Group accounts not prepared

Downside School has a wholly owned non-charitable subsidiary, Downside School Enterprise Limited. These financial statements have not been consolidated as the results of Downside School Enterprise Limited are not material to the Group.

Incoming resources

Income is recognised in the period in which the School is entitled to receipt and the amount can be measured with reasonable certainty.

Fees receivable and charges for services and use of the premises are accountable for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School. The School offers means tested bursaries and scholarships which carry a monetary value of remission which is deducted from gross fees. Discounts are also offered to siblings of current pupils, military families and pupils whose parents and grandparents previously attended the School.

Donations and legacies

Donations and any associated income tax reclaimable from HM Revenue and Customs are recognised on a receivable basis. Donations received for the general purpose of the Charity are credited to unrestricted funds. Donations subject to specific wishes are carried to relevant restricted funds.

Legacies are accounted for as they are received or if, before receipt, it becomes reasonably certain that the legacy will be received and the value of the legacy can be measured with reasonable certainty.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Resources expended

Resources expended are accounted for in the period in which they are incurred. Any irrecoverable element of Value Added Tax is included with the item of expense to which is relates.

Where an item of expenditure falls directly within one cost category, it is attributed to that category only. Where expenditure involves more than one category, it is apportioned on a reasonable and justifiable basis.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses.

Tangible fixed assets

Tangible assets are held on the balance sheet at cost less accumulated depreciation. Cost includes the purchase price of the asset plus all costs incurred in bringing the asset in to use. Subsequent expenditure is capitalised where it extends the life or increases the value of the asset.

Depreciation and amortisation

Tangible fixed assets are depreciated on a straight line basis over the following periods:

Asset class	**Depreciation method and rate**
Equipment, fixtures and fittings	3 to 20 years straight line
Motor vehicles	5 years straight line

Listed investments

Investments are shown in the balance sheet at market value at the balance sheet date.

Realised and unrealised gains and losses on investment assets are included in the Statement of Financial Activities in the year in which they arise. Investment income is credited to income on an accruals basis.

Trade debtors

Debtors are recognised at the corresponding transaction value.

Trade creditors

Creditors are recognised where the School has a present obligation which results from a past event that in all probability, will result in the transfer of funds to a third party and the amount due to settle the obligation can be reliably measured.

Deferred income

The School offers parents the opportunity to pay for up to five years tuition fees in advance in accordance with a written contract. This is treated as deferred income until the pupil joins the School whereupon, the fee for each School term are charged against the remaining balance and taken to income. All amounts are included within creditors due within one year as the amounts are repayable on demand if the pupil leaves.

Retirement benefits

Prior to 31 December 2020, the School contributed to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. That scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS 17, the scheme has been accounted for as a defined contribution scheme.

The School exited the Teachers' Pension Scheme with effect from 31 December 2020 and a new defined contribution scheme with Aviva has been provided in its place.

All other pension arrangements are defined contribution schemes where the assets of the schemes are held separately from those of the School in an independently administered fund.

In all cases, the pension cost charges represent contributions payable by the School to the fund.

Charitable funds

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

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

Critical accounting judgements and estimation uncertainty

The following are considered to be critical accounting judgements made in applying the School's accounting policies:

The Teacher's Pension Defined Benefits Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS 102, the scheme is accounted for as a defined contribution scheme and contributions are charges to the Statement of Financial Activities when payable.

The following significant estimates and assumptions have been made in applying the School's accounting policies:

The annual depreciation charge for fixed assets is sensitive to changes in the estimated useful economic lives of assets. Estimated lives are reassessed annually and considered to reflect the remaining life of an asset.

The School makes an estimate of the recoverable value of trade and other debtors. Factors such as the ageing profile of the debtors and historical experience are taken into account. Bad debts are considered on a case by case basis by taking into account the likelihood of recovery. Debts are written off by approval of the Governors if this is deemed appropriate.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised 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.

2 Income from charitable activities

	Unrestricted funds £	1 February to 31 August 2021 £	Year ended 31 January 2021 £
Fee income	4,024,966	4,024,966	7,225,084

Fee income comprises of the following:

	1 February to 31 August 2021 £	Year ended 31 January 2021 £
Gross fees	5,530,884	9,804,068
Less: total scholarships, bursaries and fee assistance	(1,656,179)	(2,791,485)
Other fee income	143,324	208,727
Registration fees	6,937	3,774
	4,024,966	7,225,084

3 Donations and legacies

	Unrestricted funds £	1 February to 31 August 2021 £	Year ended 31 January 2021 £
Donations and gifts	167,645	167,645	1,159,043
Grants, including capital grants;			
Government grants	97,852	97,852	392,216
	265,497	265,497	1,551,259

Government grant income relates to the Covid Job Retention Scheme.

4 Trading subsidiary

The School has a wholly-owned trading subsidiary which is incorporated in the UK. Downside School Enterprises Limited (registered company number 02456168) operates a shop and the letting of the School during the school holiday's. The subsidiary company was removed from the Register on 30 March 2021 and is currently going through the process to be reinstated.

During the year ended 31 August 2021, Downside School Enterprises Limited achieved sales of £124,017 (2020 - £101,037) and generated a net loss of £6,340 (2020 - net profit of £11,579). Net assets of the subsidiary totalled £5,240 (2020 - £11,580).

5 Net expenditure

The net expenditure for the period is stated after charging:

	1 February to 31 August 2021	Year ended 31 January 2021
	£	£
Depreciation	214,230	375,610
Auditors remuneration	42,880	16,500
Loan interest	59,316	87,450
Bank charges	2,467	4,053
	318,893	483,613

6 Income from other trading activities

	Unrestricted funds	1 February to 31 August 2021	Year ended 31 January 2021
	£	£	£
Other income	96,137	96,137	77,667
	96,137	96,137	77,667

7 Expenditure on charitable activities

	Teaching	Welfare	Premises	Support	Total 1 February to 31 August 2021	Total year ended 31 January 2021
Staff costs	2,096,729	435,529	263,770	517,211	3,286,239	5,779,613
Expenditure on raising funds	-	-	-	298,001	298,001	513,774
Depreciation and impairment	-	-	215,537	-	215,537	374,046
Other costs	289,701	478,898	528,865	378,964	1,676,428	2,302,638
Governance costs	-	-	-	86,974	86,974	87,975
	2,386,430	914,427	1,008,172	1,281,150	5,563,179	9,058,046
Analysis by fund						
Unrestricted funds	2,386,430	914,428	981,171	1,281,150	5,563,179	-
For the year ended 31 January 2021						
Unrestricted funds	4,065,999	1,253,445	1,344,871	2,393,731	-	9,058,046

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds £	1 February to 31 August 2021 £	Year ended 31 January 2021 £
Audit fees			
Audit of the financial statements	42,880	42,880	16,500
Legal and professional fees	43,602	43,602	63,202
Governors expenses	492	492	8,273
	86,974	86,974	87,975

9 Staff costs

The aggregate payroll costs were as follows:

	1 February to 31 August 2021 £	Year ended 31 January 2021 £
Staff costs during the period were:		
Wages and salaries	2,708,125	4,655,508
Social security costs	241,813	430,264
Pension costs	298,769	645,727
Other staff costs	37,533	48,114
	3,286,240	5,779,613

The monthly average number of persons (including senior management / leadership team) employed by the charity during the period was as follows:

	1 February to 31 August 2021 No	Year ended 31 January 2021 No
Teaching	64	69
Other	124	129
	188	198

During the period, the charity made termination payments which totalled £Nil (year ended 31 January 2021 - £32,489).

Key Management personnel of the School are deemed to be the Senior Leadership Team. The total amount paid to key management personnel, including employers pension, National Insurance contributions and any benefits in kind was £386,741 (year to 31 January 2021 - £594,153).

The Governors received no remuneration. Governors were reimbursed travel and training expenses totalling £492 (year to 31 January 2021 - £8,273).

The number of employees whose emoluments fell within the following bands was:

	31 August 2021 No	31 January 2021 No
£60,001 - £70,000 per annum	4	4
£70,001 - £80,000 per annum	1	1
£120,001 - £130,000 per annum	1	1

The pension contributions included within the above bands amounts to £38,193 (2021 - £89,005).

10 Taxation

The School is a registered charity and as such, is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the School's primary objectives if these profits and surpluses are applied solely for charitable purposes.

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 February 2021	29,357	2,135,393	4,000	2,168,750
Additions	148,119	263,525	-	411,644
At 31 August 2021	177,476	2,398,918	4,000	2,580,394
Depreciation				
At 1 February 2021	235	503,537	800	504,572
Charge for the year	840	214,229	467	215,536
At 31 August 2021	1,075	717,766	1,267	720,108
Net book value				
At 31 August 2021	176,401	1,681,152	2,733	1,860,286
At 31 January 2021 (as restated)	29,122	1,631,856	3,200	1,664,178

12 Fixed asset investments

	31 August 2021 £	31 January 2021 £
Shares in group undertakings and participating interests	1	-
Other investments	227,413	223,896
	227,414	223,896

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
Additions	1	1
At 31 August 2021	1	1
Net book value		
At 31 August 2021	1	1

Other investments

	Listed investments £	Unlisted investments £	Total £
Cost or Valuation			
At 1 February 2021	78,240	145,656	223,896
Revaluation	(16,440)	19,957	3,517
At 31 August 2021	61,800	165,613	227,413
Net book value			
At 31 August 2021	61,800	165,613	227,413
At 31 January 2021	78,240	145,656	223,896

Downside School owns shares in an investment fund jointly with Downside Abbey General Trust. The School holds 22% of the joint holding.

The listed investment represents 6,000 shares held in Telecom Plus PLC.

13 Debtors

	31 August 2021 £	31 January 2021 £
Trade debtors	629,935	1,642,776
Due from Group undertakings	106,214	51,892
Prepayments and accrued income	217,588	254,710
Other debtors	86,166	152,624
	1,039,903	2,102,002

14 Creditors: amounts falling due within one year

	31 August 2021 £	31 January 2021 £
Bank borrowings	148,126	145,382
Trade creditors	104,694	116,720
Other taxation and social security	163,609	101,342
Other creditors	1,284,635	1,380,911
Accruals	380,100	221,065
Fees in advance	1,340,596	1,514,813
Advance fees scheme	187,119	297,036
	3,608,879	3,777,269

Fees received under the fees in advance scheme will be applied as follows:

	31 August 2021 £	31 January 2021 £
Within 1 to 2 years	116,980	179,812
Within 2 to 5 years	70,139	117,224
	187,119	297,036

The advanced fees balance represents the accrued liability under the contracts. Capital movements during the period were:

	31 August 2021 £	31 January 2021 £
Balance brought forward	297,036	344,567
New contracts	-	129,240
Amounts utilised	(109,917)	(176,771)
	187,119	297,036

15 Creditors: amounts falling due after one year

	31 August 2021 £	31 January 2021 £
Bank loan	2,351,596	2,426,742

The bank loan was adopted as part of the separation of the School from Downside Abbey General Trust and has a term of five years from the separation date. The bank loan is secured against the main School site which is leased from Downside Abbey General Trust for a period of 125 years.

The ageing of the bank loan falls to be repaid as follows:

	31 August 2021 £	31 January 2021 £
Due within one year	148,126	145,382
Due within one to two years	154,517	151,686
Due within two to five years	2,197,079	2,275,056
	2,499,722	2,572,124

16 Obligations under leases and hire purchase contracts

The annual commitments under non-cancellable operating leases were:

	31 August 2021 £	31 January 2021 £
Land and buildings		
Within one year	334,758	406,768
Between one and five years	1,383,633	1,405,683
After five years	50,220,832	50,291,664
	51,939,223	52,104,115
Fixtures and fittings		
Within one year	35,620	54,923
Between one and five years	18,057	31,916
	53,677	86,839

17 Funds

	Balance at 1 February 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2021 £
Unrestricted funds					
Unrestricted funds					
Unrestricted funds	(664,363)	4,388,067	(5,563,179)	3,516	(1,835,959)

	Balance at 1 February 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 January 2021 £
Unrestricted funds					
Unrestricted funds					
Unrestricted funds	(451,999)	8,866,119	(9,058,046)	(20,437)	(664,363)

18 Analysis of net liabilities between funds

	Unrestricted funds £	Total funds 31 August 2021 £
Tangible fixed assets	1,860,286	1,860,286
Fixed asset investments	227,414	227,414
Net current assets	(1,572,063)	(1,572,063)
Creditors over 1 year	(2,351,596)	(2,351,596)
Total net liabilities	(1,835,959)	(1,835,959)

	Unrestricted funds	Total funds 31 January 2021
	£	£
Tangible fixed assets	1,664,178	1,664,178
Fixed asset investments	223,896	223,896
Net current assets	(125,695)	(125,695)
Creditors over 1 year	(2,426,742)	(2,426,742)
Total net liabilities	(664,363)	(664,363)

19 Pension and other schemes

The School has participated in the following pension schemes:

a) The Teacher's Pension Scheme (defined benefit); and
b) Defined contribution pension schemes, the assets of which are held separately from those of the School in independently administered funds.

The total pension cost charge represents contributions payable by the School to these schemes as follows:

	31 August 2021	31 January 2021
	£	£
Defined benefit scheme	-	524,874
Defined contribution schemes	298,769	120,853
	298,769	645,727

The following amounts had not been paid to the schemes at the year-end:

	31 August 2021	31 January 2021
	£	£
Defined contribution schemes	12,109	64,192

The School withdrew from the Teachers' Pension Scheme ("the TPS") on the 31 December 2020. The pension charge for the year includes contributions payable to the TPS for the period ended 31 August 2021 of £Nil (31 January 2021 - £524,874) and at the year-end, no amounts were accrued in respect of contributions to the scheme.

The TPS is an unfunded multi-employer defined benefit scheme governed by the Teachers' Pension Regulations 201- (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

All pension charges are charged to unrestricted funds, in line with the fund from which wages and salaries are paid.

20 Contingent assets

As part of the formal separation, Downside Abbey General Trust had agreed to contribute funds towards maintenance works to be carried out on the School estate. These works were capped at £4million, with payments receivable as works were carried out. However, in order to support the School as it recovers from the COVID pandemic and seeks to re-establish profitability and positive cash flow, Downside Abbey General Trust has formerly agreed to repurpose this contribution in the form of actual donations of £1million, reduced rent of premisies of £425,000 and an undertaking to repay the bank borrowings that are outstanding by August 2024, currently £2.4million. The balance up to £4m is to be discussed further with the intention of it being used to support the school.

21 Financial instruments

Financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are valued at fair value. Financial assets held at amortised cost comprise of cash at bank an in hand, together with trade and other debtors and fee debtors. A specific provision is made for debts where recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise of all creditors except social security and other taxes and provisions.

Financial assets held at amortised costs total £3,896,301 (31 January 2021 - £5,315,752) and held at fair value total £227,414 (31 January 2021 - £223,896).

Financial liabilities held at amortised costs total £5,959,674 (31 January 2021 - £6,204,011).

22 Related party transactions

During the period ended 31 August 2021, transactions totalling £408,547 (year ended 31 January 2021 - £1,114,531) were paid to Downside Abbey General Trust where Very Rev Dom Nicholas P Wetz is a Trustee and controller of the Trust. The charges relate to services provided to the School and were charged at market value.

As at the balance sheet date the amount due to the School from Downside Abbey General Trust was £23,673 (31 January 2021 - £Nil).

As at the balance sheet date, the School was owed £106,213 (31 January 2021 - £49,429) from its subsidiary Downside School Enterprises Limited. The School considers this loan as being interest free and repayable on demand.

The School paid a total of £492 (year ended 31 January 2021 - £8,273) in Governors' expenses, during the period.

DOWNSIDE SCHOOL

England & Wales - Charity number 1184700

Accounts

Company registration number: 11751009

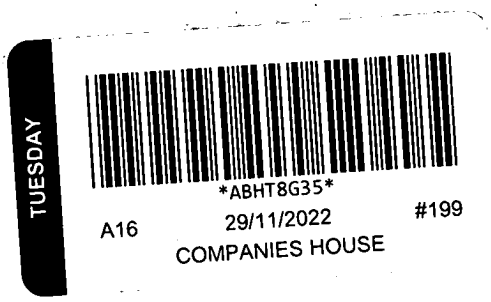
Charity registration number: 1184700

Downside School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 January 2021



Downside School

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Downside School

Reference and Administrative Details

Governors (also members)	M F T Bernard (Chair from 29 April 2022) $#
	J M Ludlow (Deputy chair) $#+
	Very Rev Dom N P Wetz #
	C M Hughes O.B.E #
	H A H Dickinson #
	A C Martin $
	T J Wilcox #~
	A C G Griffin $
	J M T Ogilvy-Stuart #
	A Barrett #
	R Jenkins $
	A Lynch #
	A J F Aylward (Resigned 1 April 2020)
	Dr R G G Mercer (Resigned 31 March 2022)
	J A Scott-Gatty (Resigned 1 April 2022)

$ Member of general finance and resources committee
Member of education committee
+ Responsibility for health and safety
~ Responsibility for safeguarding

Downside School

Reference and Administrative Details

Clerk to the Governors	V Locke (appointed 6 November 2020) A Maddalena (resigned 1 December 2020)
Charity Registration Number	1184700
Company Registration Number	11751009
Registered Office	Stratton-on-the-Fosse Radstock Somerset BA3 4RJ
Head	A Hobbs
Auditors	Crowe U.K. LLP 4th Floor, St. James' House St. James' Square Cheltenham GL50 3PR
Bankers	Barclays Bank PLC 4 Queen Street Bath BA1 1HE
Solicitors:	Stone King 13 Queens Square Bath BA1 2HJ

Downside School

Governors' Report

The Governors of Downside School, who are also the Directors of the school for the purposes of the Companies Act and Trustees for the purposes of the Charities Act (but herein after are refered to as Governors), present their annual report and the audited financial statements for the year ended 31 January 2021. The annual report serves the purpose of both a Trustees Report and a Directors Report under company law. The financial statements comply with the Charities Act 2011, the Charities Statement of Recommended Practice (second edition) and the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102).

Reference and Administrative Details

Downside School separated from Downside Abbey General Trust which owned and ran Downside School on 11 September 2019 and formed its own Company limited by guarantee, registered number 11751009. The School is also a Charity, registered number 1184700. The Governors, executive officers and principal address of Downside School are listed on page 1 together with the particulars of the Charity's professional advisors.

Structure, governance and management

Nature of governing document

The Charity is governed by its Memorandum and Articles of Association as amended on 22 July 2019.

The Governors who held office during the period are shown on page 1. The structure of the Charity consists of one Governing Body of not more than twelve Governors for Downside School.

Recruitment and appointment of Governors

The Board of Governors shall include the Abbot of Downside Abbey (or an individual appointed by the Abbot), one Governor appointed by the Bishop of the Roman Catholic diocese in which any school operated by the Charity is located and a minimum of six other Governors. The total number of Governors shall not exceed twelve.

New Governors are appointed by ordinary resolution of the Governors and eligibility is subject to personal competence, specialist skills and availability. New Governors are inducted into the working of the Charity and the management of the school, including its policies and procedures, at training meetings organised for them by the Chairman, the Head and the Clerk to the Governors. Governors' training needs are assessed on an individual basis and training is given as appropriate. Recent training included attending an in-house session on Child Protection and Safeguarding. All Governors are required to and have undertaken a Safeguarding on line training course supplied by Educare. Regular guidance notes and information from AGBIS is received by the Clerk and forwarded to all Governors.

Senior personnel are recruited on the basis of national advertisement and selection by Governors and other senior personnel. The Governors' Finance and Resources Committee considers the remuneration of senior personnel where appropriate at their summer term meeting. Consideration is given to benchmarking, in particular the Association of Governing Bodies if Independent Schools (AGBIS) Survey on Heads and Bursars Remuneration, market information and time in their position. Governors will also consider performance against objectives.

Organisational structure

The Governors are legally responsible for the overall management and control of Downside School and meet, either in person or virtually, at least three times a year. There are two sub-committees; during the year to 31 January 2021- the Education Committee was chaired by Catherine Hughes and the General Finance and Resources Committee was chaired by James Scott-Gatty. Both committees meet regularly to consider their specific issues prior to presenting their recommendations or proposals to the full Board. The General Finance and Resources Committee is responsible for considering Business Risk throughout the year and reporting on this issue to the full Board during the summer term. The members of each sub-committee are listed on page 1. In addition, there are two Governors with specific responsibilities for Health and Safety and Safeguarding. During the year to 31 January 2021 these were John Ludlow and Terri Wilcox respectively.

The day to day running of the School is delegated to the Head, supported in this by the Senior Leadership Team of the School. This comprises the Director of Operations, the Director of Finance and the Deputy Head. Relevant members of the Leadership Team attend the Governors' sub-committee and full Board meetings.

Governors' indemnities

As permitted by the Articles of Association, the Governors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the financial period and remains in force in the current year. The Company also purchased and maintained throughout the financial period Governors' and Officers' liability insurance in respect of itself and its Governors.

Major risks and management of those risks

The major risks to which the School is exposed, as identified by the Governors, have been reviewed and systems have been established to mitigate those risks.

The following are the principal risks and uncertainties facing the school:
- Impact on reputation of event, fraud, accident, media coverage etc;
- Maintenance in pupil numbers affecting liquidity and cash flows;
- Maintenance of effective senior leadership.

The following is a summary of the School's plans and strategies for managing those risks:
- Compliance with regulatory requirements; ongoing self-evaluation of teaching, curriculum etc; SWOT analysis; regular review of Disaster Recovery Plan; compliance with Child Protection policies and procedures; Governor oversight;
- Regular Governor self-evaluation; regular Governor training; regular Governor and sub-committee meetings;
- The school operates an effective marketing strategy to maintain/increase pupil numbers.

Group structure and relationships

Downside School actively supports the attainment of the highest standards in the Independent Schools sector. To this end, it actively networks with other leading schools and participates in peer group studies for the evaluation of quality and performance improvement methods. The School also cooperates with many local charities in an ongoing endeavours to widen public access to the schooling that it can provide, to optimise the educational use of its cultural and sporting facilities and to awaken in its pupils, in the public interest, an awareness of the social context of the all-round education they receive at the School. Downside School also benefits from the generosity of past pupils through the St. Gregory's Society and from parents and others through the Downside Association.

The Charity has a wholly owned non-charitable subsidiary, Downside School Enterprises Limited, which principally operates a school shop and also generates income for the School through the letting of its facilities during school holidays.

The School maintains a close relationship with Downside Abbey General Trust with whom they share part of the site and some of the site's facilities and resources. The legal governance arrangements between the School and Downside Abbey General Trust include appropriate robust provisions for pupil safeguarding.

Objects, aims, objectives and activities

Charitable objects

The School's charitable objects are;

1. To advance Roman Catholic education in the Benedictine tradition and the Roman Catholic faith in particular, but without prejudice to the generality of the foregoing, by running a school known as Downside School;
2. To advance education by providing facilities for the education and training of children and young people provided that such provision shall be ancillary or incidental only to the running of a school know as Downside School in accordance with the above;
3. To support the work of the Downside Abbey General Trust.

Public benefit aims and intended impact

The Trustees have regard to the Charity Commission's guidance on public benefit. To achieve these objects, the public benefit aim is to provide a Catholic and Benedictine education focused on the formation of young people to enable them to realise their potential as contributors to society. Downside focuses on academic excellence and aims to develop the character of its pupils, emphasising the importance of moral courage, integrity and service to others.

The School also fosters the highest standards in sport, both in performance and sportsmanship, and in the arts has a tradition of inspired theatrical productions. The school endeavours, in addition, to give children an appreciation of 'the poetry of life', a sense of its beauty, form, mystery and joy.

The School contributes to the Camino Partnership of Catholic Schools in the southern part of the Diocese of Clifton to promote Catholic education. The partnership provides a network of support to fellow schools and shares expertise from Chaplaincy and the teaching of religious studies to Heads and Governors of schools. The partnership involves both primary and secondary schools from the maintained and independent sector.

The School regularly hosts events for local primary schools, including modern language days, choral singing days, sporting events and 'Race for the Line' events. Pupils and staff support the learning of Spanish in a local primary school.

Pupils participate in a number of Community service activities, including a soup run in Bath and visiting local homes for the elderly, primary schools and other social institutions. They also raise funds for a number of different charitable organisations, including Mary's Meals, and CAFOD. Pupils take part in an annual overnight sleep out in support of charities supporting the homeless.

The School has implemented a number of environmentally conscious waste disposal and recycling schemes, reflecting its commitment to green issues and to encourage a socially conscious outlook amongst its pupil body.

The School's outreach work has included its specialistsports staff coaching, refereeing and umpiring at a number of Prep Schools and also working with local primary schools.

The School has forged a strong relationship with Bath Rugby, and on occasions hosts the Bath Development Player Programme where the School regularly hosts 40-50 boys at under aged 14 and below.

Downside is the satellite coaching hub for Somerset Cricket Board in the North of the county, seeing hundreds of talented players (girls and boys) visit Downside for training. We also host County Age Group fixtures at junior level.

Objectives for the year

The Charity's objectives for the year were to continue to embed the educational offering which commenced in September 2019. The separation from Downside Abbey General Trust required new structures to be implemented and facilities resourced.

The new vision statement is 'Downside's vision, as a Catholic and Benedictine school with Christ at its centre, is to be a bright light in education and to inspire service in our world.'

The School also reviewed and amended its mission statement to read:

'We will renew and strengthen our roots as a Catholic community, building relationships internationally, to become a school, which serves our world through its formation and education of young people, with the resources to meet our charitable objectives sustainably.'

Under this mission statement lie four key principles that seek to cover all areas of school life:

- We see it as our purpose to awaken and nurture a lifelong commitment to learning and growing (conversatio morum - Rule of St. Benedict);
- The relationship between the family and the school is one of dedicated and accountable partners;
- We challenge the transactional and utilitarian view of education;
- Specific and measurable outcomes need to be used as important indicators of how well the partnership is working.

The guiding policy for our principles is the parable of the talents which will be our model for gauging performance and the parables of the lost sheep and the prodigal son will provide our pattern for pastoral care.

The key strategies are:

- We will invest in building a strong faith based culture that challenges our pupils to make their unique contribution, with the help of all in the Downside community;
- We will establish a programme of staff retreats to underpin the Catholic and Benedictine culture of the School;
- We will embed the Relationship and Sex Education (RSE) programme so that respect will be at the heart of every relationship in our community;
- We will value and celebrate pupil engagement and achievement, recognising the unique contribution of each individual in accordance with their talents;
- Working with the wider Downside Community, we will establish a funding stream which provides one fully subsidised place for an academic scholar in each year group by 2026;
- We will ensure that the School is successfully funded to continue its work.

Principal activities for the year

The School had no fundraising activities requiring disclosure under S162A of the Charities Act.

Fee remission policy

During the year the value of scholarships, grants, prizes and bursaries made to the School's pupils out of unrestricted funds totalled £2,791,485 (2020 - £908,218). Of this, £502,662 (2020 - £296,403) being 5.1% of fee income, (2020 - 7.3%) was awarded in Scholarships and £2,288,823 (2020 - £611,815) being 23.3% of fee income (2020 - 15.0%), in bursaries and discounts.

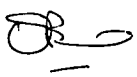
All bursaries are means-tested according to the school's policy and criteria. The remainder of the funds cover fees to overseas and British Agents, standardised discounts to members of the armed forces, members of staff and siblings of current pupils. The School does not benefit from any endowments to fund scholarships. The policy of the Governors is to make awards on the basis of the individual's educational, musical, artistic or sporting potential, or to relieve hardship where the pupil's education and further prospects would otherwise be at risk. Details of such awards for fee-assistance, together with the terms and conditions for each kind of award, are available from the Bursary.

Details of the Reserves Policy, plans for future periods and financial risk management are included within the Strategic Report.

Disclosure of information to auditor

Each Governor has taken steps that they ought to have taken as a Governor in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The Governors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the Governors of the charity on 25/11/2022 and signed on its behalf by:



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M F T Bernard
Governor

Achievements and performance

The School had no fundraising activities requiring disclosure under S162A of the Charities Act.

Whole school

The arrival of the Coronavirus during this year created an unprecedented challenge for the School bringing a premature ending to the Lent term as the country went into lockdown. This required the education to move online and to reimagine how to maintain the broader life beyond the curriculum. As a Catholic and Benedictine school, the spiritual life of the community is fundamental to its culture and although pupils and staff were not together in person, School and House assemblies, hymn practices and lectio divina continued and provided confidence and stability. The School's online provision was extremely well received by pupils and parents.

Despite the challenge of online and blended learning, the pupils of all abilities continued to achieve extremely well academically, with considerable achievement above baseline for all and excellent performance by the most able. The Centre Assessed Grades in both A level (54.1 % A*/A and 81.2% A*-B) and GCSE (55.9% 9-7 and 88.3% 9-5) in the Summer of 2020 showed that Downside pupils once again performed exceptionally.

Music and drama are an essential aspect of building confidence and provide pupils with a superb opportunity to work collaboratively. The School musical for the year 'Our House' was a highlight in the Lent term in February. Many pupils have LAMDA lessons for speech and drama.

Music is a central aspect of school life. There are three Chamber Choirs at Downside: a boys' choir, a girls' choir and a mixed choir. They specialise in a cappella performances, sacred and secular, and rehearse weekly. Membership is by invitation. The Chamber Choirs sing Mass on some Sundays and are much in demand for concerts. When the pupils were absent from school during lockdown there were online collaborations and recordings.

Orchestral, band and chamber music also flourish at Downside, with frequent concerts and weekly recitals. The Combined Cadet Forde (CCF) and Pipe Bands are also in demand. The CCF band plays for the annual CCF inspection, and accompanies the Remembrance Day service. Both bands regularly perform at School concerts and parades, as well as at private functions. We also have Jazz, Rock and Concert Bands, a Saxophone Group and a Drum Line, amongst others. The CCF band has led the Remembrance Parade in Bath for a number of years and the Pipe Band plays annually at the Stratton-on-the-Fosse Village Day in September. As with singing the orchestral and band music was limited by the restrictions caused by the pandemic.

In Art, pupils are encouraged to explore as many styles and media as possible. With an Artist-in-Residence, and regular visits to exhibitions, galleries and museums, pupils are provided with lots of inspiration. In Design and Technology pupils combine practical and technological skills with creative thinking to design and make products and systems that meet human needs. They learn to use current technologies and consider the impact of future technological developments. They learn to think creatively and intervene to improve the quality of life, solving problems as individuals and members of a team.

Through Downside's Combined Cadet Force, pupils throughout the School are able to take part in a broad range of challenging, exciting and adventurous activities. All Third Form (aged 13+) pupils are able to experience the full range of CCF activity during the academic year. At the end of the Third Form, pupils can elect to move onto the Royal Navy, or Army, section in their senior years at Downside. One full afternoon per week is allocated to CCF activity, with additional camps, expeditions and training sessions scheduled throughout the year. Obviously expeditions were curtailed by the lockdown.

A vast range of sporting opportunities are available to pupils and the philosophy held by pupils and staff is to adopt a positive mental attitude and develop an exceptional work ethic. We promote fitness and enjoyment, and aim to develop each pupil's personal best. Pupils are offered a wide range of options including rugby, hockey, football, netball, cross country, cricket, tennis and athletics. Teams are fielded for all age groups. The School maintained an online sports programme during lockdown, providing for all pupils. There was also a comprehensive and detailed programme for sports scholars and those in elite pathways.

Financial review

The Charity commenced trading on 11 September 2019. The income for the year ended 31 January 2021 arises from 12 months of trading as a School, following a trading period of approximately 5 months to 31 January 2020, and was £8,866,119 (2020 - £3,656,167) with the fee income being £7,225,084 (2020 - £3,322,818). Expenditure amounted to £9,058,046 (2020 - £4,137,027), reflecting the first full year of trading. The principal funding source for the period was fee income which supported the key objectives of the School in providing education to pupils.

The worldwide Coronavirus pandemic (COVID-19) experienced in 2020 necessitated the closure of the School on 20 March 2020. The summer term 2020 was conducted via remote learning in line with the Government advice. Fees were charged at a reduced rate to recognise the alternative offer. The financial impact on the School was significant with a loss of fee income alone of £1,010,000. An additional impact on the anticipated income occurred due to the loss of Summer School and other lettings income. The Governors recognised this significant impact, taking this into account in the School's financial management.

Expenditure on charitable activities was lower than anticipated. This was due to the closure of the School which resulted in savings in variable costs and consumables. Staff costs were also significantly reduced due to Government employee furlough financial support. The Governors have recognised the need for cost control in order to ensuure the School's continuing financial viability.

Bank loans

The Charity has taken over a loan originally taken out by Downside Abbey General Trust, amounting to £2,572,124 and outstanding at 31 January 2021, and is responsible for capital repayment and interest costs.

Government support

The Government implemented a number of business support schemes of which a number were available to schools. During the period, the School received a Government Grant in respect of the Coronavirus Job Retention Scheme (CJRS) for the period from March to August 2020 whilst the School was closed.

Reserves policy

The Charity commenced trading on 11 September 2019 with nil reserves. During its first trading period to 31 January 2021 it made a loss and therefore there are negative reserves at the start of this period. The Charity's assets are sufficient to meet its obligations, however income for the period was impacted by COVID-19 and had a significant effect on working capital. At the end of the period (31 January 2021), there were no restricted funds and no material amounts designated or otherwise committed. The reserves policy now and in the future is to build up resources by means of annual operating surpluses whilst continuing to invest in resources for current and future pupils.

Investment policy and objectives

The School has a beneficial interest in shares in the Bank of New York at a value of £145,656 at 31 January 2021 (2020 - £153,613). These are 23% of the shares held by Downside Abbey General Trust and remain in the name of the Trust. The percentage transferred to the school's ownership is stated in the legal Separation Agreement between the Trust and the School. The School also has a beneficial interst in shares in Telecom Plus PLC to the value of £78,240 as 31 January 2021 (2020 - £90,720). These are also held in the name of Downside Abbey General Trust and stated as transferred to the School under the terms of the Separation Agreement.

Principal risks and uncertainties

The Governors are responsible for the management of the risks faced by the Charity. Detailed considerations of the risks are delegated to the General Finance and Resources Committee, which is assisted by the Head and the Director of Finance. Risks are identified, assessed and controls are established throughout the year. A formal review of the Charity's Risk Management process is undertaken on an annual basis. The key controls used by the Charity include

- Formal agendas for all Committee and Board activities;
- Detailed terms of reference for all Committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear authorisation and approved levels; and
- Vetting procedures as required by law for the protection of the vulnerable.

Through the risk management process established for the Charity, the Governors are satisfied that major risks are identified and appropriately mitigated where necessary.

Principal risks are identified as being:

- Maintaining pupil numbers; and
- The bank withdrawing its loan facility.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Financial risk management

The Charity's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and interest rate risk. The School is exposed to credit risk as its main customers are the parents of pupils. The School is active in discussing payment terms with parents and agreeing payment plans where required. The School is exposed to liquidity risk but minimises the exposure by actively monitoring its monthly cash flow. Similarly, the School is also exposed to a rise in interest rates which it minimises by ensuring a reasonable contingency amount within the appropriate budget heading. In addition, the Charity has in place a risk management programme that seeks to limit the adverse effect on the financial performance of the Charity. The School has some boarding pupils from European countries and this market may be affected by the recent exit from the European Union.

Going concern

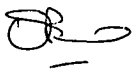
The School has prepared detailed forecasts through to August 2024 which reflect the School's strategy to generate surpluses and positive cash flows. The Governors and Downside Abbey General Trust have also agreed to repurpose the latter's financial support amounting to £4m, under the School's Seperation Agreement with it, as set out in note 22. This is to ensure that the School has sufficient financial resources to meet its operational needs and to ensure repayment of the bank loan whihc it has taken over from Downside Abbey General Trust.

The School is currently facing new cost of living and inflation related pressures, which are anticipated to have an impact and have been factored in to its financial forecasts and planning. Notwithstanding these pressures, the School is forecasting surpluses and positive cash flows and as such the Governors are of the opinion that the accounts should be prepared on a going concern basis.

Plans for future periods

The School is continuing to formulate strong and robust strategic targets that focus on key areas including academic, pastoral, marketing and admissions, business development and community outreach. The key strategies are outlined under the objectives for the year. These are being developed and acted on and will be reviewed and revised in the light of the second year of trading.

The strategic report was approved by the Governors of the charity on 25/11/2022 and signed on its behalf by:



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M F T Bernard
Governor

Downside School

Statement of Governors' Responsibilities

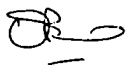
The Governors (who are also the directors of Downside School for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable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

Company law requires the Governors to prepare financial statements for each financial year. 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 charitable company 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the Governors of the charity on 25/11/2022 and signed on its behalf by:



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M F T Bernard
Governor

Downside School

Independent Auditor's Report to the Members of Downside School

Opinion

We have audited the financial statements of Downside School (the 'charity') for the year ended 31 January 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 January 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 auditor 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, 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 Governors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors 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.

Other information

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

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

We have nothing to report in this regard.

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 Strategic Report and Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Governors' Report have 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Governors' Report.

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

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

Independent Auditor's Report to the Members of Downside School

Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities (set out on page 16), the Governors 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 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 Governors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

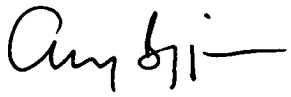
We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud

A further description of our responsibilities is available 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 Governors, 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 charity's Governors 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 its Governors as a body, for our audit work, for this report, or for the opinions we have formed.



Guy Biggin (Senior Statutory Auditor)
For and on behalf of Crowe U.K. LLP, Statutory Auditor
4th Floor, St. James' House
St. James' Square
Cheltenham
GL50 3PR

Date: 25 November 2022

Downside School

Statement of Financial Activities for the Year Ended 31 January 2021
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 31 January 2021 £
Income and Endowments from:			
Donations and legacies	3	1,551,259	1,551,259
Charitable activities	2	7,225,084	7,225,084
Other trading activities	6	5,600	5,600
Investment income		6,509	6,509
Other income		77,667	77,667
Total income		8,866,119	8,866,119
Expenditure on:			
Raising funds		(513,774)	(513,774)
Charitable activities	7	(8,544,272)	(8,544,272)
Total expenditure		(9,058,046)	(9,058,046)
Gains/losses on investment assets		(20,437)	(20,437)
Net expenditure		(212,364)	(212,364)
Net movement in funds		(212,364)	(212,364)
Reconciliation of funds			
Total funds brought forward		(451,999)	(451,999)
Total funds carried forward		(664,363)	(664,363)

The notes on pages 27 to 46 form an integral part of these financial statements.

Downside School

Statement of Financial Activities for the Year Ended 31 January 2021
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 4 January 2019 to 31 January 2020 £
Income and Endowments from:			
Donations and legacies	3	333,349	333,349
Charitable activities	2	3,322,818	3,322,818
Total income		3,656,167	3,656,167
Expenditure on:			
Raising funds		(33,701)	(33,701)
Charitable activities	7	(4,103,326)	(4,103,326)
Total expenditure		(4,137,027)	(4,137,027)
Gains/losses on investment assets		28,861	28,861
Net expenditure		(451,999)	(451,999)
Net movement in funds		(451,999)	(451,999)
Reconciliation of funds			
Total funds carried forward		(451,999)	(451,999)

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 22.

Downside School

(Registration number: 11751009)
Balance Sheet as at 31 January 2021

	Note	31 January 2021 £	4 January 2019 to 31 January 2020 £
Fixed assets			
Tangible assets	11	1,664,178	1,914,541
Investments	12	223,896	244,333
		1,888,074	2,158,874
Current assets			
Stocks	13	-	28,460
Debtors	14	2,102,002	2,780,283
Cash at bank and in hand		1,549,572	1,325,897
		3,651,574	4,134,640
Creditors: Amounts falling due within one year	15	(3,777,269)	(4,173,389)
Net current liabilities		(125,695)	(38,749)
Total assets less current liabilities		1,762,379	2,120,125
Creditors: Amounts falling due after more than one year	16	(2,426,742)	(2,572,124)
Net liabilities		(664,363)	(451,999)
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds	19	(664,363)	(451,999)
Total funds		(664,363)	(451,999)

The financial statements on pages 22 to 46 were approved by the Governors, and authorised for issue on 25/11/2022 and signed on their behalf by:

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M F T Bernard
Governor

The notes on pages 27 to 46 form an integral part of these financial statements.

Downside School

Statement of Cash Flows for the Year Ended 31 January 2021

	Note	31 January 2021 £	4 January 2019 to 31 January 2020 £
Cash flows from operating activities			
Net cash expenditure		(212,364)	(451,999)
Adjustments to cash flows from non-cash items			
Depreciation		376,646	134,579
Revaluation of investments		20,437	(28,861)
		184,719	(346,281)
Working capital adjustments			
Decrease/(increase) in stocks	13	28,460	(28,460)
Decrease/(increase) in debtors	14	678,281	(2,780,283)
Increase in creditors	15	53,910	1,766,128
(Decrease)/increase in deferred income	16	(455,133)	2,266,982
Net cash flows from operating activities		490,237	878,086
Cash flows from investing activities			
Purchase of tangible fixed assets	11	(126,283)	(2,049,120)
Purchase of investments	12	-	(215,472)
Net cash flows from investing activities		(126,283)	(2,264,592)
Cash flows from financing activities			
Value of new loans obtained during the period		-	2,712,403
Repayment of loans and borrowings	15	(140,279)	-
Net cash flows from financing activities		(140,279)	2,712,403
Net increase in cash and cash equivalents		223,675	1,325,897
Cash and cash equivalents at 1 February 2020		1,325,897	-
Cash and cash equivalents at 31 January 2021		1,549,572	1,325,897

The notes on pages 27 to 46 form an integral part of these financial statements.

Downside School

Statement of Cash Flows for the Year Ended 31 January 2021

Reconciliation of net cash flow to movement in net funds		
Increase in cash	223,675	1,325,897
Cash outflow from repayment of loans	(140,279)	2,572,124
Change in net funds resulting from cash flows	83,396	3,898,021
Other non-cash movements	5,103	-
Movement in net funds	88,499	3,898,021
Net funds at 1 February 2020	1,325,897	-
Net funds at 31 January 2021	1,414,396	3,898,021

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 27 to 46 form an integral part of these financial statements.

1 Accounting policies

Company information

Downside School is a charity, registered number 1184700, is a Public Benefit Entity registered as a Charity in England and Wales and is a Company Limited by Guarantee.

The accounting polices of the School, which have been applied consistently throughout the year, are listed below.

Basis of accounting

The financial statements have been prepared in accordance with the 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Going concern

The Governors have prepared the financial statements on a going concern basis as, in their opinion, the School is able to meet its obligations as they fall due.

The School has prepared detailed financial forecasts through to August 2024 which reflect the School's strategy to generate surpluses and positive cash flows. The Governors and Downside Abbey General Trust have also agreed to repurpose the latter's financial support, amounting to £4m, under the School's Seperation Agreement with it, as set out in note 22. This is to ensure that the School has sufficient financial resources to meet its operational needs and to ensure repayment of the bank loan, which it has taken over from Downside Abbey General Trust.

The School is currently facing new cost of living and inflation related pressures, which are anticipated to have an impact and have been factored in to its financial forecasts and planning. Notwithstanding these pressures the School is forecasting surpluses and positive cash flows and as such the Governors are of the opinion that the accounts should be prepared on a going concern basis.

Group accounts not prepared

Downside School has a wholly owned non-charitable subsidiary, Downside School Enterprise Limited. These financial statements have not been consolidated as the results of Downside School Enterprise Limited are not material to the Group.

Incoming resources

Income is recognised in the period in which the School is entitled to receipt and the amount can be measured with reasonable certainty.

Fees receivable and charges for services and use of the premises are accountable for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School. The School offers means tested bursaries and scholarships which carry a monetary value of remission which is deducted from gross fees. Discounts are also offered to siblings of current pupils, military families and pupils whose parents and grandparents previously attended the School.

Donations and legacies

Donations and any associated income tax reclaimable from HM Revenue and Customs are recognised on a receivable basis. Donations received for the general purpose of the Charity are credited to unrestricted funds. Donations subject to specific wishes are carried to relevant restricted funds.

Legacies are accounted for as they are received or if, before receipt, it becomes reasonably certain that the legacy will be received and the value of the legacy can be measures with reasonable certainty.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Resources expended

Resources expended are accounted for in the period in which they are incurred. Any irrecoverable element of Value Added Tax is included with the item of expense to which is relates.

Where an item of expenditure falls directly within one cost category, it is attributed to that category only. Where expenditure involves more than on category, it is apportioned on a reasonable and justifiable basis.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses.

Tangible fixed assets

Tangible assets are held on the balance sheet at cost less accumulated depreciation. Cost includes the purchase price of the asset plus all costs incurred in bringing the asset in to use. Subsequent expenditure is capitalised where it extends the life or increases the value of the asset.

Depreciation and amortisation

Tangible fixed assets are depreciated on a straight line basis over the following periods:

Asset class	Depreciation method and rate
Equipment, fixtures and fittings	3 to 20 years straight line
Motor vehicles	5 years straight line

Listed investments

Investments are shown in the balance sheet at market value at the balance sheet date.

Realised and unrealised gains and losses on investment assets are included in the Statement of Financial Activities in the year in which they arise. Investment income is credited to income on an accruals basis.

Stock

Stocks are stated at the lower of cost and net realisable value. They exclude purchases of supplies allocated to the subsequent academic year. Cost represents purchase price on a first in first out basis. Net realisable value is based on estimated selling price.

Trade debtors

Debtors are recognised at the corresponding transaction value.

Trade creditors

Creditors are recognised where the School has a present obligation which results from a past event that in all probability, will result in the transfer of funds to a third party and the amount due to settle the obligation can be reliably measured.

Deferred income

The School offers parents the opportunity to pay for up to five years tuition fees in advance in accordance with a written contract. This is treated as deferred income until the pupil joins the School whereupon, the fee for each School term are charged against the remaining balance and taken to income. All amounts are included within creditors due within one year as the amounts are repayable on demand if the pupil leaves.

Retirement benefits

The School contributed to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS 17, the scheme is accounted for as a defined contribution scheme.

The School has exited the Teachers' Pension Scheme with effect from 31 December 2020 and a new defined contribution scheme with Aviva has been provided in its place.

All other pension arrangements are defined contribution schemes where the assets of the schemes are held separately from those of the School in an independently administered fund.

In all cases, the pension cost charges represent contributions payable by the School to the fund.

Charitable funds

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

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

Critical accounting judgements and estimation uncertainty

The following are considered to be critical accounting judgements made in applying the School's accounting policies:

The Teacher's Pension Defined Benefits Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS 102, the scheme is accounted for as a defined contribution scheme and contributions are charges to the Statement of Financial Activities when payable.

The following significant estimates and assumptions have been made in applying the School's accounting policies:

The annual depreciation charge for fixed assets is sensitive to changes in the estimated useful economic lives of assets. Estimated lives are reassessed annually and considered to reflect the remaining life of an asset.

The School makes an estimate of the recoverable value of trade and other debtors. Factors such as the ageing profile of the debtors and historical experience are taken into account. Bad debts are considered on a case by case basis by taking into account the likelihood of recovery. Debts are written off by approval of the Governors if this is deemed appropriate.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised 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.

2 Income from charitable activities

	Unrestricted funds	31 January 2021	4 January 2019 to 31 January 2020
	£	£	£
Fee income	7,225,084	7,225,084	3,322,818

Fee income comprises of the following:

	31 January 2021 £	4 January 2019 to 31 January 2020 £
Gross fees	9,804,068	4,079,804
Less: total scholarships, bursaries and fee assistance	(2,791,485)	(908,218)
Other fee income	208,727	140,544
Registration fees	3,774	10,688
	7,225,084	3,322,818

3 Donations and legacies

	Unrestricted funds £	Total 31 January 2021 £	Total 4 January 2019 to 31 January 2020 £
Donations and gifts	1,159,043	1,159,043	333,349
Grants, including capital grants;			
Government grants	392,216	392,216	-
	1,551,259	1,551,259	333,349

Government grant income relates to the Covid Job Retention Scheme.

4 Trading subsidiary

The School has a wholly-owned trading subsidiary which is incorporated in the UK. Downside School Enterprises Limited (registered company number 02456168) operates a shop and the letting of the School during the school holiday's. The subsidiary company was removed from the Register on 30 March 2021 and is currently going through the process to be reinstated.

During the year ended 31 August 2020, Downside School Enterprises Limited achieved sales of £101,037 and generated a net profit of £43,740. Net assets of the subsidiary totalled £43,741.

5 Net expenditure

The net expenditure for the period is stated after charging:

	31 January 2021 £	4 January 2019 to 31 January 2020 £
Depreciation	375,610	134,579
Auditors remuneration	16,500	10,750
Loan interest	87,450	21,944
Bank charges	4,053	2,254
	483,613	169,527

6 Income from other trading activities

	Unrestricted funds £	2021 £	4 January 2019 to 31 January 2020 £
Events income;			
Other events income	5,600	5,600	-
Appeals and donations	1,159,043	1,159,043	333,349
Pupil extras	208,727	208,727	140,544
Other income	77,667	77,667	-
	1,451,037	1,451,037	473,893

7 Expenditure on charitable activities

	Teaching	Welfare	Premises	Support	Total 2021	Total 2020
Staff costs	3,467,768	693,553	462,369	1,155,923	5,779,613	2,323,030
Expenditure on raising funds	-	-	-	513,774	513,774	33,701
Depreciation and impairment	-	-	374,046	-	374,046	134,579
Other costs	598,231	559,892	508,456	636,059	2,302,638	1,622,175
Governance costs	-	-	-	87,975	87,975	23,542
	4,065,999	1,253,445	1,344,871	2,393,731	9,058,046	4,137,027
Analysis by fund						
Unrestricted funds	4,065,999	1,253,445	1,344,871	2,393,731	9,058,046	-
For the period ended 31 January 2020						
Unrestricted funds	1,867,369	369,601	1,043,323	856,734	-	4,137,027

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds £	2021 £	2020 £
Audit fees			
Audit of the financial statements	16,500	16,500	10,750
Legal and professional fees	63,202	63,202	2,541
Governors expenses	8,273	8,273	10,251
	87,975	87,975	23,542

9 Staff costs

The aggregate payroll costs were as follows:

	31 January 2021 £	4 January 2019 to 31 January 2020 £
Staff costs during the year were:		
Wages and salaries	4,655,508	2,173,075
Social security costs	430,264	77,899
Pension costs	645,727	72,056
Other staff costs	48,114	-
	5,779,613	2,323,030

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was as follows:

	31 January 2021 No	4 January 2019 to 31 January 2020 No
Teaching	94	94
Other	103	116
	197	210

During the year, the charity made termination payments which totalled £32,489 (2020 - £Nil).

Key Management personnel of the School are deemed to be the Senior Leadership Team. The total amount paid to key management personnel, including employers pension, National Insurance contributions and any benefits in kind was £594,153 (2020 - £294,035).

The Governors received no remuneration. Governors were reimbursed travel and training expenses totalling £8,273 (2020 - £10,251).

The number of employees whose emoluments fell within the following bands was:

	31 January 2021 No	4 January 2019 to 31 January 2020 No
£60,001 - £70,000	4	-
£70,001 - £80,000	1	1
£120,001 - £130,000	1	-

The pension contributions included within the above bands amounts to £89,005 (2020 - £13,236).

10 Taxation

The School is a registered charity and as such, is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the School's primary objectives if these profits and surpluses are applied solely for charitable purposes.

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 February 2020	-	2,042,467	-	2,042,467
Additions	29,357	92,926	4,000	126,283
At 31 January 2021	29,357	2,135,393	4,000	2,168,750
Depreciation				
At 1 February 2020	-	127,926	-	127,926
Charge for the year	235	375,611	800	376,646
At 31 January 2021	235	503,537	800	504,572
Net book value				
At 31 January 2021	29,122	1,631,856	3,200	1,664,178
At 31 January 2020	-	1,914,541	-	1,914,541

12 Fixed asset investments

	31 January 2021 £	4 January 2019 to 31 January 2020 £
Other investments	223,896	244,333

Other investments

	Listed investments £	Unlisted investments £	Total £
Cost or Valuation			
At 1 February 2020	90,720	153,613	244,333
Revaluation	(12,480)	(7,957)	(20,437)
At 31 January 2021	78,240	145,656	223,896
Net book value			
At 31 January 2021	78,240	145,656	223,896
At 31 January 2020	90,720	153,613	244,333

Downside School owns shares in an investment fund jointly with Downside Abbey General Trust. The School holds 22% of the joint holding.

The listed investment represents 6,000 shares held in Telecom Plus PLC.

13 Stock

	31 January 2021 £	4 January 2019 to 31 January 2020 £
School stores	-	28,460

14 Debtors

	31 January 2021 £	4 January 2019 to 31 January 2020 £
Trade debtors	1,642,776	928,508
Due from Group undertakings	51,892	115,918
Prepayments and accrued income	254,710	143,154
Other debtors	152,624	1,592,703
	2,102,002	2,780,283

15 Creditors: amounts falling due within one year

	31 January 2021 £	4 January 2019 to 31 January 2020 £
Bank borrowings	145,382	140,279
Trade creditors	116,720	273,070
Other taxation and social security	101,342	92,875
Other creditors	1,380,911	1,097,738
Accruals	221,065	302,445
Fees in advance	1,514,813	1,922,415
Advance fees scheme	297,036	344,567
	3,777,269	4,173,389

Fees received under the fees in advance scheme will be applied as follows:

	31 January 2021 £	4 January 2019 to 31 January 2020 £
Within 1 to 2 years	179,812	226,343
Within 2 to 5 years	117,224	118,224
	297,036	344,567

The advanced fees balance represents the accrued liability under the contracts. Capital movements during the period were:

	31 January 2021 £	4 January 2019 to 31 January 2020 £
Balance brought forward	344,567	-
Contracts transferred from DAGT	-	390,929
New contracts	129,240	84,631
Amounts utilised	(176,771)	(130,993)
	297,036	344,567

16 Creditors: amounts falling due after one year

	31 January 2021 £	4 January 2019 to 31 January 2020 £
Bank loan	2,426,742	2,572,124

The bank loan was adopted as part of the separation of the School from Downside Abbey General Trust and has a term of five years from the separation date. The bank loan is secured against the main School site which is leased from Downside Abbey General Trust for a period of 125 years.

The ageing of the bank loan falls to be repaid as follows:

	31 January 2021	4 January 2019 to 31 January 2020
	£	£
Due within one year	145,382	140,279
Due within one to two years	151,686	94,928
Due within two to five years	2,275,056	2,477,196
	2,572,124	2,712,403

17 Acquisitions

On the 11 September 2019, Downside School acquired the School trading business of Downside Abbey General Trust for no cash consideration.

This transaction has been accounted for by the acquisition method of accounting as applied to a Public Benefit Entity Combination.

In accordance with FRS 102, assets have been brought in at fair value.

The assets and liabilities acquired were:

	£'000
Fixed assets	2,049
Investments	215
Stock	28
Debtors	57
Donation from the Trust	2,180
Creditors	(1,626)
Treasury loan	(2,712)
	191

18 Obligations under leases and hire purchase contracts

The annual commitments under non-cancellable operating leases were:

	31 January 2021 £	4 January 2019 to 31 January 2020 £
Land and buildings		
Within one year	406,768	425,000
Between one and five years	1,405,683	1,700,000
After five years	50,291,664	51,000,000
	52,104,115	53,125,000
Fixtures and fittings		
Within one year	54,923	11,607
Between one and five years	31,916	34,821
	86,839	46,428

19 Funds

	Balance at 1 February 2020 £	Incoming resources £	Resources expended £	Gain on investment £	Balance at 31 August 2021 £
Unrestricted funds					
Unrestricted funds	(451,999)	8,866,119	(9,058,046)	(20,437)	(664,363)

	Incoming resources £	Resources expended £	Gain on investments £	Balance at 31 January 2020 £
Unrestricted funds				
Unrestricted funds	3,656,167	(4,137,027)	28,861	(451,999)

20 Analysis of net liabilities between funds

	Unrestricted funds £	Total funds 2021 £
Tangible fixed assets	1,664,178	1,664,178
Fixed asset investments	223,896	223,896
Net current assets	(125,695)	(125,695)
Creditors over 1 year	(2,426,742)	(2,426,742)
Total net liabilities	(664,363)	(664,363)

	Unrestricted funds	Total funds 2020
	£	£
Tangible fixed assets	1,914,541	1,914,541
Fixed asset investments	244,333	244,333
Net current assets	(38,749)	(38,749)
Creditors over 1 year	(2,572,124)	(2,572,124)
Total net liabilities	(451,999)	(451,999)

21 Related party transactions

Renumeration of key management personnel

The remuneration of key management personnel is as follows:

During the year ended 31 January 2021, transactions totalling £1,114,531 (2020 - £980,946) were paid to Downside Abbey General Trust where Very Rev Dom Nicholas P Wetz is a Trustee and controller of the Trust. The charges relate to services provided to the School and were charged at market value.

As at the balance sheet date the amount due to the School from Downside Abbey General Trust was £Nil (2020 - £1,565,741). Further analysis of the acquisition from Downside Abbey General Trust is included within Note 17.

The School paid a total of £8,273 (2020 - £10,251) in Governors' expenses.

22 Pension and other schemes

The School has participated in the following pension schemes:

a) The Teacher's Pension Scheme (defined benefit); and
b) Defined contribution pension schemes, the assets of which are held separately from those of the School in independently administered funds.

The total pension cost charge represents contributions payable by the School to these schemes as follows:

	31 January 2021 £	4 January 2019 to 31 January 2020 £
Defined benefit scheme	524,874	254,122
Defined contribution schemes	120,853	37,508
	645,727	291,630

The following amounts had not been paid to the schemes at the year-end:

	31 January 2021 £	4 January 2019 to 31 January 2020 £
Defined benefit scheme	-	70,230
Defined contribution schemes	64,192	14,229
	64,192	84,459

The School withdrew from the Teachers' Pension Scheme ("the TPS") on the 31 December 2020. The pension charge for the year includes contributions payable to the TPS for the year ended 31 January 2021 of £524,874 (2020 - £254,122) and at the year-end, £Nil (2020 - £70,230) was accrued in respect of contributions to the scheme.

The TPS is an unfunded multi-employer defined benefit scheme governed by the Teachers' Pension Regulations 201- (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

All pension charges are charged to unrestricted funds, in line with the fund from which wages and salaries are paid.

23 Contingent assets

As part of the formal separation, Downside Abbey General Trust had agreed to contribute funds towards maintenance works to be carried out on the School estate. These works were capped at £4million, with payments receivable as works were carried out. However, in order to support the School as it recovers from the COVID pandemic and seeks to reestablish profitability and positive cash flow, Downside Abbey General Trust has formerly agreed to repurpose this contribution in the form of actual donations of £1million, reduced rent of premisies of £425,000 and an undertaking to repay the bank borrowings that are outstanding by August 2024, currently £2.4million. The balance up to £4m is to be discussed further with the intention of it being used to support the school.

24 Financial instruments

Financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are valued at fair value. Financial assets held at amortised cost comprise of cash at bank an in hand, together with trade and other debtors and fee debtors. A specific provision is made for debts where recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise of all creditors except social security and other taxes and provisions.

Financial assets held at amortised costs total £5,315,752 (2020 - £6,049,181) and held at fair value total £223,896 (2020 - £244,333).

Financial liabilities held at amortised costs total £6,204,011 (2020 - £6,475,513).