

**COPTHORNE SCHOOL TRUST LIMITED t/a
COPTHORNE PREP SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2022



COPTHORNE SCHOOL TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022

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COPTHORNE SCHOOL TRUST LIMITED
GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

The purpose of this report

The Governors present their annual report together with the audited financial statements for the period 1st September 2021 to 31st August 2022. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The Governors confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Status of the company

Copthorne School Trust Limited was incorporated under the Companies Acts 1948 to 1967 as a Company limited by guarantee on 2 January 1976, company number 01239211. The Company has charitable status with the number 270757. On 1st December 2021, a resolution was passed by the Board that the updated articles of association be adopted and filed with both Companies House and the Charity Commission.

Governing Body

The Trustees of the Charity are the School's Board of Governors. The Board operates with two standing sub-committees; the Education Committee and the Finance and General Purposes Committee.

The Governors are covered by trustee indemnity insurance included in the School's insurance policy.

T Chidgey – appointed 27th June 2022

Mrs S Coutinho (legal surname: Seth) – Chair of Governors

Ms L Fegan

Dr M Fegan

S Gibbons

Mrs A Higgs – appointed 14th March 2022

Mrs B Jinks – resigned 14th March 2022

B Moir

Governor training

All new Governors are inducted into the workings of the School. Individual Governors also attend specific training courses held by professional advisors and where appropriate cascade this information down to other Governors.

Registered office and principal address

Copthorne Prep School
Effingham Lane
Copthorne
West Sussex
RH10 3HR

COPTHORNE SCHOOL TRUST LIMITED
GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

Key executives and professional advisers

Headmaster:	N Close
Bursar/Secretary:	P Flowerday
Bankers:	National Westminster Bank, The Boulevard, Crawley, RH10 1XU CCLA, Senator House, 85 Queen Victoria Street, London, EC4V 4ET
Auditors:	Kreston Reeves LLP, Springfield House, Springfield Road, Horsham, RH12 2RG
Solicitors:	Veale Wasbrough Vizards LLP, Narrow Quay House, Narrow Quay, Bristol, BS1 4QA DMH Stallard LLP, 3rd Floor, Origin One, 108 High Street, Crawley, RH10 1BD

Organisation

The Governors of the School act in the capacity of the Company's directors for the purposes of the Companies Act and in the capacity of trustees in respect of its charitable objectives under the Charities Act. Governors are appointed at the discretion of the Governing Body through an established recruitment process. The Governors meet on a termly basis to review and direct the general educational charitable objectives of the Charity. Additional meetings are convened as required. The Education Committee meets termly and oversees all aspects of academic activity and development together with pupil welfare and pastoral care. The termly meeting of the Finance and General Purposes Committee oversees all financial activities, Health and Safety matters, as well as the oversight of the maintenance and development of the site and buildings.

The day to day operation of the School is controlled by the Headmaster and his Senior Leadership Team and the finances by the Bursar. Details of the Governors are shown on page 3.

The Headmaster is a member of the Incorporated Association of Prep Schools (IAPS). The School is a member of the Independent Schools' Bursars Association (ISBA), the Boarding Schools' Association (BSA) and the Association of Governing Bodies of Independent Schools (AGBIS). Guidance, support and advice is sought from the relevant associations.

Objects and principal activities

The objects as set out in the Memorandum are to promote and provide for the advancement of education and in connection therewith to conduct, carry on, acquire and develop in the United Kingdom any boarding or day school or schools for the education of children of either sex or both sexes.

Founded in 1902, Copthorne Prep School has developed an outstanding reputation for helping children to realise their full potential. By providing opportunities for all to succeed, children leave us as confident individuals, well prepared for their progression to senior schools of their choice. We inspire all our pupils to become lifelong learners, responsible global citizens and the very best that they can be.

We strive:

- To instil a desire for excellence in all areas of learning, celebrating effort as well as achievement
- To offer a well-considered, stimulating curriculum which provides opportunities for children to be challenged, to be curious and to develop as independent learners
- To continue to develop the first-class pastoral care the School provides for pupils
- To provide a nurturing environment where all children are happy, valued and encouraged to develop as individuals
- To develop a strong sense of school community that is kind, inclusive and reflects the increasingly diverse and international dimension of school life

COPTHORNE SCHOOL TRUST LIMITED
GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

- To develop a strong sense of school community that is kind, inclusive and reflects the increasingly diverse and international dimension of school life
- To provide strong pastoral care based on traditional Christian values of mutual respect towards all members of the community
- To develop a partnership with pupils, parents and staff to promote a culture of trust, ambition and high achievement
- To continue to monitor and review the key policies and procedures to ensure a safe environment for employees, pupils and visitors to the school
- To provide continuing support to the pupils already in receipt of fee assistance through means tested financial assistance.
- To continue to develop the strategic development plan

Review of activities and future developments

Academic

Copthorne Prep prides itself on providing a wide ranging and varied education. The School believes that enjoyment and inclusivity should go hand in hand with the setting of high standards and the pursuit of excellence. This year we have not only continued to celebrate our proud tradition of excellent academic results, but we have thoroughly enjoyed participating in sporting contests, have been wonderfully entertained by first rate musical and dramatic performances, and seen our children thrive in a broad and exciting co-curricular programme which offers opportunity to all our young people.

We have continued to promote discovery-led, enquiry-based learning for our pupils, which sees the teacher as a facilitator to learning, not an oracle imparting academic knowledge. The skills extend more broadly into the establishment of skills for life and sits not only within the academic programme of study but with the creative and performing arts, the practical elements of design technology and Lego, and onto the sports pitch and playground. Our School observatory has been linked to the IT suites and is enabling us to develop a programme of spectacular science and discovery, alongside an emerging Young Astronomer's Club.

Our strategic development plan seeks to provide a curriculum that is more responsive to the evolving workplace of the twenty-first century, as well as developing the teaching and learning so that our pupils can emerge as more confident, enquiring and empathetic with a real sense of who they are and what they want to be.

Sport

The completion of our stunning floodlit MUGA has enriched our sporting provision across the school, with our hockey teams currently enjoying their strongest season ever. The shifting landscape with sport has meant that we have increasing numbers of boys and girls uniting to play mixed team games this academic year, and we have had particular success in our cricket and football; most recently winning the inaugural Lancing Prep Mowden Cup. Our U10 boys' team were runners up in the Ardingly South East Finals, and our colts A team were the coveted Pelican Cup Winners. Cross country has also been a particular strength, and we ended the year with the IAPS U13 Champion, the 800m Champion and 6 children who did particularly well in the IAPS National Championships. We have also had great success in swimming competitions this year, including IAPS, and one girl came 6th in the butterfly National Finals.

We continue to be a leading prep school in chess and have had notable success in county competitions. We currently hold all five primary cup titles, dominate the Sussex squads, and have three children who have become national champions.

All our children have an opportunity to represent the school in sporting fixtures on a weekly basis, and we certainly punch well above our weight in terms of the trophies that we win and success in the various competitions that we enter. A new cricket academy for girls is being launched at Copthorne Prep this academic year which will serve to develop the very best talent both here at school and in the wider community.

COPTHORNE SCHOOL TRUST LIMITED
GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

We continue to be a leading prep school in chess and have had notable success in county competitions. We currently hold all five primary cup titles, dominate the Sussex squads, and have three children who have become national champions.

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Music

Music improves academic skills, develops physical skills, boosts self-esteem, cultivates social skills and refines discipline and patience. This is why at Copthorne Prep we consider it integral to our curriculum and have a committed staff team and a dynamic group of visiting peripatetic music teachers. We continued our programme of music evenings and concerts, and were treated to some wonderful music evenings and soirees. Over 75% of our children received additional music lessons outside the timetabled curriculum, and we were able to offer scholarship support to our more able pupils and as well as the ABRSM exams.

Forest School

We have continued to leverage the use of our wonderful grounds in which our children have enjoyed all that forest school has to offer, along with den building, and learning about the flora and fauna. Our continued emphasis on outdoor learning will see an expansion of forest school over the coming year as well as the development of an outdoor learning space, and our plans to embed this further into the prep school curriculum are progressing, whereby more traditional learnt knowledge can be re-enforced using the natural world.

We are increasingly environmentally conscious both as a School and as individuals. The Wombles Club meet regularly and are working hard, mostly over ground (!), to help reduce the use of plastic and wrapping, recycling of plastics and identifying ways in which we can improve. Our sensory garden has taken shape over the past few months allowing the children to connect in new ways with nature as well as tapping into the principles of mindfulness.

Public benefit

The School, in setting its objectives and planning its activities has given due regard to the duties set out in Section 17 of the Charities Act 2011 and the guidance given by the Charity Commission.

During the year the School provided means tested bursaries and scholarships amounting to £146,674. Other discounts, including staff and sibling discounts, amounted to £166,696.

In terms of financial hardship, the School is assessable and encourages parents to apply for assistance. Each bursary application is assessed on its own merits and awards are made accordingly and subject to the School's ability to fund these within the context of what is viable within its overall budget. The School also has a duty to ensure that bursary grants are applied fairly.

The School also reaches out to the local community to provide access to its facilities. During the year, Copthorne Junior School used the School site for various sport related activities.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

COPTHORNE SCHOOL TRUST LIMITED
GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

Principal risk and uncertainties

The Governors are responsible for the overseeing of the risks faced by the School. Detailed considerations of risk are delegated to the Senior Management of the School. Risks are identified, assessed and controls established throughout the year. Risk is managed under the headings of governance and management, law and regulation, external factors and human resources.

The main risks that the Governors have identified and the plans to manage those risks are:

- Reputation – managed through safeguarding policies, staff recruitment policies, pastoral support for both pupils and staff and active identification and resolution of health and safety related issues.
- Economic factors (including fee affordability) - managed through effective cost management, financial planning and control, bursary policy, and maintaining a quality product.
- School reputation - managed by an effective Senior Leadership Team operating clear policies and protocols.
- Maintaining a high quality of education - managed by combining attractive staff remuneration with on-going investment in our estate and an approach to enrolment that works with supportive parents whose children have an appetite for learning.

The Board is committed to high standards of corporate governance and reviews its activities on a regular basis. The Board is responsible for the Charity's system of internal control and for reviewing its effectiveness.

Financial Review

The financial results of the school are set out on pages 13 and 14 of the accounts. The school generated income of £3,960,617, costs to run the School amounted to £4,275,740 and fee discounts of £313,369 were given. At the year end the net assets were £3,108,056 including fixed assets of £2,967,899, cash balances of £1,521,840, fees received in advance and deposits of £832,619 and other working capital.

Reserves policy

It is the Governors' policy to maintain reserves that will permit them to maintain and develop the School's facilities for the purpose of enhancing over time its ability to meet its long-term charitable objectives. To that end, the Governors seek to ensure that there are sufficient reserves to afford reasonable protection to the charitable company in the context of current and anticipated commitments and exposure to external and/or internal risks. The Governors review the reserves position regularly.

At the year-end unrestricted funds for the School stood at £3,108,056 (2021: £3,367,065). After deducting the carrying value of tangible fixed assets held for the School's own use, free reserves, as defined by the Charity Commission, were £140,157 (2021: £992,368). Whilst this is currently lower than the target of one term's expenditure, it reflects the significant investment in the School's grounds, buildings and facilities. This is common in independent schools which have to finance their own capital investment.

Pay policy for senior staff

The School's key management personnel are its Senior Leadership Team which comprises the Headmaster, Deputy Head, Bursar, Head of Pre-Prep & Nursery, Director of Wellbeing and, from 1st September 2022, the Head of HR. Arrangements are in place for setting the remuneration for these personnel and, the Board has taken into consideration benchmark information and market pay for these roles. This exercise, together with the overall remuneration of other personnel, forms part of the Board's annual salary review, as part of the budget process, which again takes account of market rates of pay and relevant benchmark reports.

COPTHORNE SCHOOL TRUST LIMITED
GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

Information on fundraising practices

All fundraising activities for the School are carried out by School staff with assistance from the parents and pupils with the running of specific fundraising events. They decide, after consideration, which charities they wish to donate to therefore raising their awareness of both local and global issues. Charities varied from Crawley Open House, Children in Need, and the Royal British Legion to name but a few. The School does not use professional fundraisers or have any commercial participators. The school did not receive any complaints in respect of its fundraising activities.

Governors' responsibilities statement

The Governors (who are also directors of Copthorne School Trust Limited 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).

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 the 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 then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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.

Disclosure of information to auditors

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

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

Auditors

Kreston Reeves LLP have expressed their willingness to continue as auditors for the next financial year.

Signed on behalf of the Board of Governors and approved by them on 12th December 2022



Mrs S Coutinho
Chair of Governors

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COPTHORNE SCHOOL TRUST LIMITED (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022**

Opinion

We have audited the Financial Statements of Copthorne School Trust Limited (the 'charitable company') for the year ended 31st August 2022 which comprise the Statement of financial activities including a summary income and expenditure account, the Balance Sheet, the Statement of cash flows and notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st 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's responsibilities for the audit of the Financial Statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees' annual report, other than the Financial Statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' annual report. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COPTHORNE SCHOOL TRUST LIMITED (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

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

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:

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COPTHORNE SCHOOL TRUST LIMITED (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022**

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charitable company and industry, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to safeguarding, health and safety, and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Statement of Recommended Practice and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COPTHORNE SCHOOL TRUST LIMITED (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022**

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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



Sarah Ediss BSc FCA (Senior Statutory Auditor)

For and on behalf of Kreston Reeves LLP
Chartered Accountants and Statutory Auditor
Horsham

Dated: 3 January 2023

COPTHORNE SCHOOL TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (including summary Income and Expenditure)
FOR THE YEAR ENDED 31ST AUGUST 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	2021 £
INCOME FROM:					
Charitable activities	3	3,880,127	-	3,880,127	3,817,378
Other trading activities	4	79,091	-	79,091	144,000
Investments	5	1,399	-	1,399	381
Total income		3,960,617	-	3,960,617	3,961,759
EXPENDITURE ON:					
Raising funds		30,376	-	30,376	53,867
Charitable activities		4,245,364	-	4,245,364	4,123,476
Total expenditure	7	4,275,740	-	4,275,740	4,177,343
NET INCOME					
		(315,123)	-	(315,123)	(215,584)
Transfer between funds		56,114	(56,114)	-	-
Net movement in funds		(259,009)	(56,114)	(315,123)	(215,584)
RECONCILIATION OF FUNDS:					
Fund balances at 1 st September 2021		3,367,065	56,114	3,423,179	3,638,763
FUND BALANCES at 31st August 2022		3,108,056	-	3,108,056	3,423,179

There are no other recognised gains and losses other than the net income for the year. All operations and activities are continuing.

The notes on pages 16 to 27 form part of these Financial Statements.

COPTHORNE SCHOOL TRUST LIMITED
BALANCE SHEET
AS AT 31ST AUGUST 2022

Company Number: 01239211

	Notes	£	2022 £	£	2011 £
FIXED ASSETS					
Tangible assets	10		2,967,899		2,374,697
CURRENT ASSETS					
Stocks – finished goods		-		44,962	
Debtors	12	146,585		193,356	
Cash at bank and in hand		1,521,840		1,697,064	
		<u>1,668,425</u>		<u>1,935,382</u>	
CREDITORS: due within one year:	13	<u>(1,032,964)</u>		<u>(815,722)</u>	
Net current assets			635,461		1,119,660
Total assets less current liabilities			<u>3,603,360</u>		<u>3,494,357</u>
CREDITORS: due after more than one year:	14		<u>(495,304)</u>		<u>(71,178)</u>
TOTAL NET ASSETS			<u>3,108,056</u>		<u>3,423,179</u>
FUNDS					
Unrestricted funds	15		3,108,056		3,367,065
Restricted funds	15		-		56,114
TOTAL CHARITY FUNDS			<u>3,108,056</u>		<u>3,423,179</u>

Signed on behalf of the Board of Governors and approved by them on 12th December 2022.



Mrs S Coutinho
Chair of Governors

The notes on pages 16 to 27 form part of these Financial Statements.

COPTHORNE SCHOOL TRUST LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST AUGUST 2022

	2022	2021
	£	£
Net cash flow from operating activities	170,517	97,881
Cash flow from investing activities		
Interest income received	1,399	381
Purchase of tangible fixed assets	(816,393)	(231,928)
Disposal of tangible fixed assets	9,000	7,121
Net cash flow from investing activities	(805,994)	(224,426)
Cash flow from financing activities		
Receipt of loan	500,000	-
Repayment of loan	(33,337)	-
Payment of loan interest	(6,410)	-
Net cash flow from financing activities	460,253	-
Net cash flow	(175,224)	(126,545)
Cash and cash equivalents at 1 st September	1,697,064	1,823,609
Cash and cash equivalents at 31st August	1,521,840	1,697,064

RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(315,123)	(215,584)
Adjustment for:		
Depreciation charges	223,191	198,332
Loan interest	6,410	-
Profit on disposal of fixed assets	(9,000)	(2,185)
Investment income	(1,399)	(381)
(Increase)/decrease in stocks	(44,962)	(20,841)
(Increase)/decrease in debtors	(46,771)	(59,590)
Increase/(decrease) in creditors	174,705	198,130
Increase/(decrease) in cash provided by operating activities	170,517	97,881

The notes on pages 16 to 27 form part of these Financial Statements.

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022

1. ACCOUNTING POLICIES

a) General information and basis of preparation

Copthorne School Trust Limited is a private charitable company, limited by guarantee, registered in England and Wales. The address of the registered office is given in the charity information on page 1 of these Financial Statements. The nature of the charity's operations and principal activities are detailed in the Governors' Report.

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

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1st January 2019.

The Financial Statements are prepared under the historical cost convention. The Financial Statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b) Going concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Financial Statements as outlined in the Statement of Governors' responsibilities.

These considerations take into account the impact of Covid-19 and the Trustees have concluded that it is appropriate to continue to adopt the going concern basis in preparing the Financial Statements as outlined in the Statement of Trustees' Responsibilities.

c) Income recognition

All income is included in the Statement of Financial Activities (**SOFA**) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

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

Income from charitable activities includes school fees receivable, registration fees and fees from ancillary activities. School fees receivable consist of charges billed for the school year ending 31st August, less bursaries, discounts and other allowances. Fees received for education to be provided in future years are carried forward as deferred income. Registration fees are non-refundable fees which are recognised once parents/guardians have committed for the child to attend the school in the school year ending 31st August. Income from ancillary activities is generated from additional activities such as music exam fees and after school clubs being offered to pupils in the school year ending 31st August.

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

1. ACCOUNTING POLICIES (CONT.)

Income from trading activities includes income earned from rents and lettings to raise funds for the charity. Income is received in exchange for renting out the buildings and fields of the School in order to raise funds and is recognised when entitlement has occurred.

Income from investments includes interest which is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Income from grants received are recognised when there is reasonable assurance that the School will comply with the conditions attaching to the grant and the grant will be received.

d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds relates solely to loan interest payable
- Expenditure on charitable activities includes school operating costs such as teaching costs, welfare costs, premises costs and support costs. Finance and administrative staff costs and other support costs have been directly charged to the charitable main activity.

The irrecoverable element of VAT is included with the item of expense to which it relates.

e) Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include administrative and governance costs. They are incurred directly in support of expenditure on the objects of the charity.

f) Pension schemes

The School contributes to a Teacher-specific defined contribution scheme and it is accounted for as such. The School also contributes to a defined contribution personal pension scheme for non-teaching staff. All contributions are included in pension costs in the period to which they relate.

The School also has members in the Independent Schools Pension Scheme (ISPS). ISPS is a funded scheme and the assets are held separately from those of the school in separate trustee administered funds. The trustee commissions an actuarial valuation of the scheme every three years using the prospective unit credit method. The ISPS is a multi-employer scheme and there is insufficient information to use defined benefit scheme accounting, therefore the school accounts for the scheme as a defined contribution scheme and the contributions are recognised in the period to which they relate. Where the actuarial valuation reveals a shortfall of assets compared to liabilities, a liability for additional agreed contribution payments is recognised in full.

g) Other employee benefits

When employees have rendered service to the school, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Termination payments are recognised as an expense at the amount expected to be paid when the termination is communicated to the affected employees.

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

1. ACCOUNTING POLICIES (CONT.)

h) Operating leases

Rentals payable under operating leases are charged to the SOFA on a straight-line basis over the period of the lease

i) Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets retained for use by the School at rates calculated to spread each asset's cost, less its estimated residual value at prices ruling at date of acquisition, over its expected useful economic life, which for each class of asset is initially assessed as averaging:

Freehold buildings and improvements	over 5 to 50 years
Plant and machinery	20% straight line
Motor vehicles	25% straight line
Fixtures and fittings	10% straight line

Items costing less than £1,500 are written off as an expense as acquired.

j) Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at the transaction price. Any losses arising from impairment are recognised in expenditure.

k) Cash

Cash at bank includes cash and short term highly liquid investments from the date of opening of the deposit or similar account.

l) Financial Instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities and their measurement bases are as follows:

- Financial assets – trade and other debtors, shown in note 12, are measured at amortised cost less impairment. Cash is measured at face value.
- Financial liabilities shown in notes 13 and 14 - trade creditors, accruals and other creditors are measured at their transaction value.
- Bank loans are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest rate.

m) Funds

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity. Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose. Further details of each fund are disclosed in note 15. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund are set out in the notes of the Financial Statements.

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

n) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

o) Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is a reasonable assurance that the grant conditions will be met and the grants received. During the prior year the charity made use of the UK government coronavirus job retention scheme.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Under component accounting the freehold buildings are divided into major components which are considered to have substantially different useful lives. Judgement is used in allocating property costs between components and in determining the useful lives of each component and this judgement may have a material impact on the depreciation charge.

Critical areas of judgement:

Deposits held by the School repayable when a pupil leaves the School are included in other creditors falling due within one year to reflect the notice period which can be given.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Gross fees	3,943,379	-	3,943,379	4,004,703
Less: bursaries, scholarships and allowances	(313,369)	-	(313,369)	(386,076)
Add: other charges to pupils	243,717	-	243,717	191,163
Registration fees	6,400	-	6,400	7,588
	<u>3,880,127</u>	<u>-</u>	<u>3,880,127</u>	<u>3,817,378</u>

All income from charitable activities in the prior year was unrestricted.

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Rent and lettings	54,866	-	54,866	27,982
Sundry income	15,225	-	15,225	52,437
Profit on sale of assets	9,000	-	9,000	-
Coronavirus job retention scheme	-	-	-	63,581
	<u>79,091</u>	<u>-</u>	<u>79,091</u>	<u>144,000</u>

All income from other trading activities in the prior year was unrestricted.

5. INVESTMENT INCOME

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Bank interest	1,399	-	1,399	381
	<u>1,399</u>	<u>-</u>	<u>1,399</u>	<u>381</u>

All investment income in the prior year was unrestricted.

6. GOVERNANCE COSTS

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Auditor's remuneration - current year	14,400	-	14,400	9,240
Auditor's remuneration - prior year	-	-	-	2,730
Other accountancy costs	4,003	-	4,003	4,994
Other governance costs	2,780	-	2,780	345
	<u>21,183</u>	<u>-</u>	<u>21,183</u>	<u>17,309</u>

During the year, the Governors did not receive nor waive any remuneration from the School or other benefits in their capacity as directors and charity trustees. No expenses (2021: nil) were reimbursed to Governors for attending external meetings and seminars.

During the year, the children of 3 (2021 – 5) of the Governors attended the School. None of the children of the Governors received a bursary. Any applicable sibling discounts and scholarships have been awarded under the usual school criteria.

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

7. EXPENDITURE: analysis of total expenditure – Current year

	Staff costs £	Other £	Dep'n £	2022 Total £
Charitable activities				
School operating costs				
Teaching	2,174,717	307,632	31,362	2,513,711
Welfare	179,454	125,870	-	305,324
Premises	166,361	478,914	191,829	837,104
Support	330,318	237,724	-	568,042
	<u>2,850,850</u>	<u>1,150,140</u>	<u>223,191</u>	<u>4,224,181</u>
Expenditure on governance	-	21,183	-	21,183
Expenditure on raising funds	-	30,376	-	30,376
	<u>2,850,850</u>	<u>1,201,699</u>	<u>223,191</u>	<u>4,275,740</u>

7. EXPENDITURE: analysis of total expenditure – Prior year

	Staff costs £	Other £	Dep'n £	2021 Total £
Charitable activities				
School operating costs				
Teaching	2,084,417	332,529	37,040	2,453,986
Welfare	210,721	114,757	-	325,478
Premises	183,499	483,485	161,292	828,276
Support	332,399	166,028	-	498,427
	<u>2,811,036</u>	<u>1,096,799</u>	<u>198,332</u>	<u>4,106,167</u>
Expenditure on governance	-	17,309	-	17,309
Expenditure on raising funds	-	53,867	-	53,867
	<u>2,811,036</u>	<u>1,167,975</u>	<u>198,332</u>	<u>4,177,343</u>

All expenditure in the current and prior year was unrestricted.

8. NET INCOME

Net income is stated after charging:	2022	2021
	£	£
Depreciation of tangible fixed assets	223,191	198,332
Auditor's remuneration – current year	14,400	9,240
Auditor's remuneration – prior year	-	2,730
Auditor's remuneration – non-audit services	4,003	-
	<u>241,594</u>	<u>210,302</u>

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

9. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	2,391,678	2,363,495
Employer's NI costs	225,400	213,749
Pension contributions	233,772	233,796
	2,850,850	2,811,035

	2022	2021
	Number	Number
Average number of monthly employees in the year:		
Teaching and teaching support	56	61
Administration, domestic and maintenance staff	35	35
	91	96

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2022	2021
	£	£
£70,001 - £80,000	1	-
£80,001 - £90,000	1	-
£110,001 - £120,000	-	1
£140,001 - £150,000	1	-

Key management personnel are considered to be the School's Leadership Team, comprising the Headmaster, Bursar, Deputy Head, Head of Nursery and Pre-Prep and the Director of Wellbeing. The total remuneration and benefits received by key management personnel during the year was £546,447 (2021 - £495,039).

Termination payments of £35,486 were fully paid during the year (2021 - £nil).

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

10. TANGIBLE FIXED ASSETS

	Freehold property	Plant & Machinery	Fixtures, fittings & IT	Motor vehicles	Assets under construction	Total
	£	£	£	£	£	£
Cost						
At 1 st September 2021	3,688,536	130,766	526,777	172,637	132,139	4,650,855
Additions	689,095	80,931	6,467	-	39,900	816,393
Disposals	-	-	-	(31,488)	-	(31,488)
Transfers	132,139				(132,139)	-
At 31 st August 2022	4,509,770	211,697	533,244	141,149	39,900	5,435,760
Depreciation						
At 1 st September 2021	1,735,947	53,139	336,173	150,899	-	2,276,158
Charge for the year	115,326	31,325	67,065	9,475	-	223,191
Disposals	-	-	-	(31,488)	-	(31,488)
At 31 st August 2022	1,851,273	84,464	403,238	128,886	-	2,467,861
Net Book Value						
At 31 st August 2022	2,658,497	127,233	130,006	12,263	39,900	2,967,899
At 31 st August 2021	1,952,589	77,627	190,604	21,738	132,138	2,374,697

11. FIXED ASSET INVESTMENTS

Investment in Group Undertaking

On 13th November 1990, the Charity acquired 100 £1 Ordinary shares, for £nil consideration, representing the entire issued share capital of Copthorne School Services Limited, a company incorporated in England and Wales. Copthorne School Services Limited has remained dormant since incorporation in November 1990.

12. DEBTORS

	2022	2021
	£	£
Trade debtors	13,545	28,891
Other debtors	16,879	11,631
Prepayments	116,161	152,834
	146,585	193,356

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

13. CREDITORS: FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	42,772	68,579
Pension liability	-	32
Accruals and other creditors	128,640	14,621
Fees received in advance and deposits held	801,932	732,490
Bank loan	59,620	-
	1,032,964	815,722

14. CREDITORS: FALLING DUE MORE THAN ONE YEAR

	2022	2021
	£	£
Pension liability (see note 19)	57,574	71,178
Bank loan	407,043	-
Fees received in advance	30,687	-
	495,304	71,178

Reconciliation of movement in deferred income during the year

	2022	2021
	£	£
Beginning of the year	586,232	461,094
Released to the statement of financial activities	(586,232)	(461,094)
Received in the year	705,369	586,232
	705,369	586,232
End of the year	705,369	586,232
Deferred income relates to fees received in advance.		

Bank loan

	2022	2021
	£	£
Due within 1 year	59,620	-
Repayable in 1-2 years	59,620	-
Repayable in 2-5 years	178,861	-
Due in 5+ years	168,562	-
	466,663	-
End of the year	466,663	-

The bank loan is secured by charge on freehold property and will be repaid over 10 years. The rate of interest on the loan is fixed at 3.62% pa.

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

15. FUNDS MOVEMENT – current year

	1 September 2021 £	Income £	Expenditure £	Transfers £	31 August 2022 £
Restricted funds	56,114	-	-	(56,114)	-
Unrestricted funds	3,366,809	3,960,617	(4,275,740)	56,114	3,108,056
	<u>3,422,923</u>	<u>3,960,617</u>	<u>(4,275,740)</u>	<u>-</u>	<u>3,108,056</u>

The restricted funds were comprised of £25,000 received for a Classroom block and £31,114 for the funds received from the Astro pitch appeal.

Transfers in the year represent amounts which have been fully spent on fixed assets.

FUNDS MOVEMENT – prior year

	1 September 2020 £	Income £	Expenditure £	Transfers £	31 August 2021 £
Restricted funds	57,144	-	-	(1,000)	56,144
Unrestricted funds	3,581,619	3,961,759	(4,177,343)	1,000	3,367,035
	<u>3,638,763</u>	<u>3,961,759</u>	<u>(4,177,343)</u>	<u>-</u>	<u>3,423,179</u>

16. FUNDS: ANALYSIS OF NET ASSETS – current year

	Fixed Assets £	Net Current Assets £	Long Term Liabilities £	2022 Fund Balances £
Restricted funds	-	-	-	-
Unrestricted funds	2,967,899	635,461	(495,304)	3,108,056
	<u>2,967,899</u>	<u>635,461</u>	<u>(495,304)</u>	<u>3,108,056</u>

FUNDS: ANALYSIS OF NET ASSETS – prior year

	Fixed Assets £	Net Current Assets £	Long Term Liabilities £	2021 Fund Balances £
Restricted funds	25,000	31,114	-	56,114
Unrestricted funds	2,349,697	1,088,546	(71,178)	3,367,065
	<u>2,374,697</u>	<u>1,119,660</u>	<u>(71,178)</u>	<u>3,423,179</u>

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

17. OPERATING LEASES

Operating lease payments totalling £8,897 (2021: £7,518) have been recognised as an expense in the Statement of Financial Activities.

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

	2022	2021
	£	£
Due within 1 year	8,808	8,897
Due from 1-5 years	10,347	18,194
Due in 5+ years	-	976
	19,155	28,067

18. RELATED PARTY TRANSACTIONS

There are no related party transactions during the period (2021: £ nil).

19. PENSION SCHEMES

The school runs defined contribution personal pension schemes for those members of staff not entitled to join the defined contribution teacher's scheme: Aviva Pensions Trust for Independent Schools (APTIS). The net assets of the schemes are each held separately from those of the school in independently administered funds.

The pension cost for the year represents the school's contributions to these schemes of £233,722 (2021: £233,796) and there were no contributions due at the year end.

Contributions in respect of the school's defined contribution pension schemes are charged to the income and expenditure account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

Independent Schools' Pension Scheme

The school participates in this scheme, a multi-employer scheme which provides benefits to some 66 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the school to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the school is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

19. PENSION SCHEMES (CONT)

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2021. This actuarial valuation showed assets of £249.4m, liabilities of £211.1m and a deficit of £38.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the school has agreed to a deficit funding arrangement the school recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

The school is required to pay £7,457.04 per annum from 1 September 2022, increasing 3% each year, for the next 10 years until 30 June 2032. The provision held for the present value of the contributions is £57,574.

There will be a review of progress at the next valuation in 2023.

20. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while they are a member, or within one year after they cease to be a member, for payment of the debts and liabilities of the company contracted before they cease to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding £1.

21. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2021	Cash flows	Other non cash changes	At 31 August 2022
	£	£	£	£
Cash at bank and in hand	1,697,064	(175,224)	-	1,521,840
Debt due within 1 year	-	33,337	(92,957)	(59,620)
Debt due after 1 year	-	(500,000)	92,957	(407,043)
	<u>1,697,064</u>	<u>(641,887)</u>	<u>-</u>	<u>1,055,177</u>