

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

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2023



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COPTHORNE SCHOOL TRUST LIMITED
GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2023

The purpose of this report

The Governors present their annual report together with the audited financial statements for the period 1st September 2022 to 31st August 2023. 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 Governors 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.

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

T Chidgey

Ms L Fegan

Dr M Fegan

S Gibbons

Mrs A Higgs

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 2023

Key executives and professional advisers

Headmaster:	N Close
Bursar/Secretary:	P Flowerday - resigned 19 May 2023 A Owens - appointed 24 April 2023
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.

- 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 Achievement

As mentioned in the most recent ISI report, the achievement and progress of pupils at Copthorne Prep are excellent. Pupils successfully transition to secondary education in both the state and independent sectors, and this year, we're proud to report that 27 scholarships were awarded to our leavers.

Pupil Experience

At Copthorne Prep, we take pride in offering a diverse and comprehensive education. We firmly believe that enjoyment and inclusivity should go hand in hand with high standards and the pursuit of excellence. In the current academic year, we have not only maintained our tradition of achieving outstanding academic results, but we have once again dominated the sports scene both locally and at national level. Notable successes include our U13 girls' netball team, who were crowned IAPS U13 champions, and our U11 Cross Country runners who achieved podium placements at the Malvern Championships. Our excellent and extensive sport facilities, including indoor swimming pool, full-sized floodlit Astro pitch, four hardcourt tennis courts, and a spacious sports hall, enable all pupils to take part at a standard that is best suited to their abilities. Pupils are introduced to a wide range of physical education skills through the Pre-Prep and these skills are then developed in the Prep School in both team and individual disciplines.

Once again, we've enjoyed considerable success in chess this year solidifying our reputation as one of the leading chess schools in the South of England. Five of our pupils competed in the national finals this year, with two earning places on the England Chess Team.

Our pupils have also had the privilege of participating in exceptional musical and dramatic performances, as well as a diverse and exciting co-curricular program ranging from tower climbing to philosophy, all of which is accessible to everyone.

Our approach to education centres around discovery-led, inquiry-based learning and skill acquisition, with teachers serving as facilitators rather than mere sources of academic knowledge. These skills extend beyond academics and are integrated into the creative and performing arts, practical areas such as design technology and Lego. Pupils develop woodworking skills to create birdhouses and utilise technology like robotics, computer-aided design, and micro controllers to gain insights into the work of engineers.

Our strategic development plan aims to provide a curriculum that adapts to the evolving demands of the twenty-first century workplace. We focus on developing teaching and learning methods to nurture confident, inquisitive, and empathetic pupils who possess a clear sense of their identity and aspirations.

We continue to leverage our remarkable grounds, providing opportunities for our children to experience Forest School, learn about sustainability, engage in den building, and explore various flora and fauna. Pupils of all ages have the chance to partake in outdoor learning, reinforcing traditional knowledge through interaction with the natural world.

COPTHORNE SCHOOL TRUST LIMITED
GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2023

Music also thrives at Copthorne Prep and is an integral part of our curriculum. We have a dedicated and dynamic group of visiting peripatetic music teachers under the leadership of our Head of Music, who provide individual music lessons across the school; nearly 80% of our pupils learn to play an instrument. The school maintains a strong orchestra, choir, and string groups, in addition to the full programme of soirees and musical performances. Copthorne Prep has achieved significant success in ABRSM (Associated Board of the Royal Schools of Music) exams and Trinity College exams, with pupils entering a variety of instruments and voice up to Grade 8 standard.

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 £177,539. Other discounts, including staff and sibling discounts, amounted to £94,501.

In terms of financial hardship, the School is accessible 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.

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 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.

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.

The governors are fully aware of and recognise the challenges facing the school as a standalone prep school and the independent education sector as a whole at the present time and in the future. As part of reviewing our strategic plan, we are looking for solutions that will allow us to retain the unique ethos and values of Copthorne, enhance our educational offering, maximise our efficiencies and most importantly ensure we offer the best outcomes for all our pupils for many years to come.

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.

COPTHORNE SCHOOL TRUST LIMITED
GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2023

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

- 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.
- Safeguarding of children – 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) – in the short-term managed through effective cost management, financial planning and control, bursary policy, and maintaining a quality product.

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 £3,770,633, costs to run the School amounted to £4,246,907 and fee discounts of £272,040 were given. At the year end the net assets were £2,631,782 including fixed assets of £2,771,790, cash balances of £729,244, fees received in advance and deposits of £882,781 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 £2,631,782 (2022: £3,108,056). 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 (£140,008) (2022: £140,157). 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.

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.

COPTHORNE SCHOOL TRUST LIMITED
GOVERNORS' REPORT (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2023

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 13th November 2023



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 2023**

Opinion

We have audited the Financial Statements of Copthorne School Trust Limited (the 'charitable company') for the year ended 31st August 2023 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 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 Charities Act 2011.

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 governors' annual report, other than the Financial Statements and our auditor's report thereon. The governors are responsible for the other information contained within the governors' 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 2023**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the governors' responsibilities statement set out on page 8, 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.

Auditor's responsibilities for the audit of the Financial Statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 2023**

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 Charities Act 2011, Companies Act 2006, Charities Statement of Recommended Practice 2019 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 2023**

- 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 trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP

Kreston Reeves LLP
Chartered Accountants and Statutory Auditor
Horsham

Dated: 14 November 2023

Kreston Reeves LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

COPTHORNE SCHOOL TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (including summary Income and Expenditure)
FOR THE YEAR ENDED 31ST AUGUST 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	2022 £
INCOME FROM:					
Charitable activities	3	3,684,895	-	3,684,895	3,880,127
Other trading activities	4	62,648	-	62,648	79,091
Investments	5	23,090	-	23,090	1,399
Total income		3,770,633	-	3,770,633	3,960,617
EXPENDITURE ON:					
Raising funds		46,585	-	46,585	30,376
Charitable activities		4,200,322	-	4,200,322	4,245,364
Total expenditure	7	4,246,907	-	4,246,907	4,275,740
NET INCOME					
		(476,274)	-	(476,274)	(315,123)
Transfer between funds		-	-	-	-
Net movement in funds		(476,274)	-	(476,274)	(315,123)
RECONCILIATION OF FUNDS:					
Fund balances at 1 st September 2022		3,108,056	-	3,108,056	3,423,179
FUND BALANCES at 31st August 2023		2,631,782	-	2,631,782	3,108,056

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 2023

Company Number: 01239211

	Notes	£	2023 £	£	2022 £
FIXED ASSETS					
Tangible assets	10		2,771,790		2,967,899
CURRENT ASSETS					
Debtors	12	672,543		146,585	
Cash at bank and in hand		729,244		1,521,840	
		<u>1,401,787</u>		<u>1,668,425</u>	
CREDITORS: due within one year:	13	<u>(1,084,646)</u>		<u>(1,032,964)</u>	
Net current assets			324,223		635,461
Total assets less current liabilities			<u>3,096,013</u>		<u>3,603,360</u>
CREDITORS: due after more than one year:	14		<u>(457,149)</u>		<u>(495,304)</u>
TOTAL NET ASSETS			<u>2,631,782</u>		<u>3,108,056</u>
FUNDS					
Unrestricted funds	15		2,631,782		3,108,056
Restricted funds	15		-		-
TOTAL CHARITY FUNDS			<u>2,631,782</u>		<u>3,108,056</u>

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006. The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006. However an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements. The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board of Governors on 13th November 2023 and signed on their behalf by:



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 2023

	2023	2022
	£	£
Net cash flow from operating activities	(712,130)	170,517
Cash flow from investing activities		
Interest income received	23,090	1,399
Purchase of tangible fixed assets	(49,735)	(816,393)
Disposal of tangible fixed assets	5,800	9,000
Net cash flow from investing activities	(20,845)	(805,994)
Cash flow from financing activities		
Receipt of loan	-	500,000
Repayment of loan	(41,348)	(33,337)
Payment of loan interest	(18,273)	(6,410)
Net cash flow from financing activities	(59,621)	460,253
Net cash flow	(792,546)	(175,224)
Cash and cash equivalents at 1 st September	1,521,840	1,697,064
Cash and cash equivalents at 31st August	729,244	1,521,840

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

	2023	2022
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(476,274)	(315,123)
Adjustment for:		
Depreciation charges	222,548	223,191
Loan interest	18,273	6,410
Loss/(Profit) on disposal of fixed assets	17,496	(9,000)
Investment income	(23,090)	(1,399)
(Increase)/decrease in stocks	-	(44,962)
(Increase)/decrease in debtors	(525,958)	(46,771)
Increase/(decrease) in creditors	54,875	174,705
Increase/(decrease) in cash provided by operating activities	(712,130)	170,517

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 2023

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 3 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.

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 2023

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 marketing expenditure.
- 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 scheme 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 2023

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 2023

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 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Gross fees	3,661,509	-	3,661,509	3,943,379
Less: bursaries, scholarships, and allowances	(272,040)	-	(272,040)	(313,369)
Add: other charges to pupils	290,726	-	290,726	243,717
Registration fees	4,700	-	4,700	6,400
	<u>3,684,895</u>	<u>-</u>	<u>3,684,895</u>	<u>3,880,127</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 2023

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Rent and lettings	50,363	-	50,363	54,866
Sundry income	11,093	-	11,093	15,225
Profit on sale of assets	1,192	-	1,192	9,000
	<u>62,648</u>	<u>-</u>	<u>62,648</u>	<u>79,091</u>

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

5. INVESTMENT INCOME

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Bank interest	23,090	-	23,090	1,399
	<u>23,090</u>	<u>-</u>	<u>23,090</u>	<u>1,399</u>

All investment income in the prior year was unrestricted.

6. GOVERNANCE COSTS

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Auditor's remuneration - current year	15,000	-	15,000	14,400
Other accountancy costs	5,396	-	5,396	4,003
Other governance costs	800	-	800	2,780
	<u>21,196</u>	<u>-</u>	<u>21,196</u>	<u>21,183</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 (2022: nil) were reimbursed to Governors for attending external meetings and seminars.

During the year, the children of 6 (2022 – 3) 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 2023

7. EXPENDITURE: analysis of total expenditure – Current year

				2023
	Staff costs	Other	Dep'n	Total
	£	£	£	£
Charitable activities				
School operating costs				
Teaching	2,015,655	364,126	35,110	2,414,891
Welfare	184,562	129,253	-	313,815
Premises	164,352	416,582	187,439	768,373
Support	322,245	359,802	-	682,047
	<u>2,686,814</u>	<u>1,269,763</u>	<u>222,549</u>	<u>4,179,126</u>
Expenditure on governance	-	21,196	-	21,196
Expenditure on raising funds	-	46,585	-	46,585
	<u>2,686,814</u>	<u>1,337,544</u>	<u>222,549</u>	<u>4,246,907</u>

7. EXPENDITURE: analysis of total expenditure – Prior year

				2022
	Staff costs	Other	Dep'n	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>

All expenditure in the current and prior year was unrestricted.

8. NET INCOME

Net income is stated after charging:	2023	2022
	£	£
Depreciation of tangible fixed assets	222,549	223,191
Auditor's remuneration – current year	15,000	14,400
Auditor's remuneration – non-audit services	5,396	4,003
	<u></u>	<u></u>

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2023

9. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	2,240,056	2,391,678
Employer's NI costs	198,307	225,400
Pension contributions	248,451	233,772
	<hr/>	<hr/>
	2,686,814	2,850,850
	<hr/>	<hr/>

	2023	2022
	Number	Number
Average number of monthly employees in the year:		
Teaching and teaching support	56	56
Administration, domestic and maintenance staff	24	35
	<hr/>	<hr/>
	80	91
	<hr/>	<hr/>

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

	2023	2022
	£	£
£70,001 - £80,000	-	1
£80,001 - £90,000	1	1
£110,001 - £120,000	-	-
£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, Director of Wellbeing and the Head of HR. The total remuneration and benefits received by key management personnel during the year was £457,030 (2022 - £546,447).

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2023

10. TANGIBLE FIXED ASSETS

	Freehold property	Plant & Machinery	Fixtures, fittings & IT	Motor vehicles	Assets under construction	Total
	£	£	£	£	£	£
Cost						
At 1 st September 2022	4,509,770	211,697	533,244	141,149	39,900	5,435,760
Additions	-	-	42,235	7,500	-	49,735
Disposals	(18,687)	-	-	(7,900)	-	(26,587)
Transfers	39,900	-	-	-	(39,900)	-
At 31 st August 2023	4,530,983	211,697	575,479	140,749	-	5,458,908
Depreciation						
At 1 st September 2022	1,851,273	84,464	403,238	128,886	-	2,467,861
Charge for the year	113,917	34,119	66,544	7,969	-	222,549
Disposals	-	-	-	(3,292)	-	(3,292)
At 31 st August 2023	1,965,190	118,583	469,782	133,563	-	2,687,118
Net Book Value						
At 31 st August 2023	2,565,793	93,114	105,697	7,186	-	2,771,790
At 31 st August 2022	2,658,497	127,233	130,006	12,263	39,900	2,967,899

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

	2023	2022
	£	£
Trade debtors	592,544	13,545
Other debtors	19,679	16,879
Prepayments	60,320	116,161
	672,543	146,585

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2023

13. CREDITORS: FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	98,532	42,772
Pension liability	-	-
Accruals and other creditors	36,631	128,640
Fees received in advance and deposits held	889,863	801,932
Bank loan	59,620	59,620
	1,084,646	1,032,964

14. CREDITORS: FALLING DUE MORE THAN ONE YEAR

	2023	2022
	£	£
Pension liability (see note 19)	67,849	57,574
Bank loan	365,695	407,043
Fees received in advance	23,605	30,687
	457,149	495,304

Reconciliation of movement in deferred income during the year

	2023	2022
	£	£
Beginning of the year	705,369	586,232
Released to the statement of financial activities	(705,369)	(586,232)
Received in the year	785,531	705,369
	785,531	705,369
End of the year		
Deferred income relates to fees received in advance.		

Bank loan

	2023	2022
	£	£
Due within 1 year	59,620	59,620
Repayable in 1-2 years	59,620	59,620
Repayable in 2-5 years	178,861	178,861
Due in 5+ years	127,214	168,562
	425,315	466,663
End of the year		

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 2023

15. FUNDS MOVEMENT – current year

	1 September 2022 £	Income £	Expenditure £	Transfers £	31 August 2023 £
Restricted funds	-	-	-	-	-
Unrestricted funds	3,108,056	3,770,633	(4,246,907)	-	2,631,782
	<u>3,108,056</u>	<u>3,770,633</u>	<u>(4,246,907)</u>	<u>-</u>	<u>2,631,782</u>

FUNDS MOVEMENT – prior 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>

In the prior year 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 prior year represent amounts which have been fully spent on fixed assets.

16. FUNDS: ANALYSIS OF NET ASSETS – current year

	Fixed Assets £	Net Current Assets £	Long Term Liabilities £	2023 Fund Balances £
Restricted funds	-	-	-	-
Unrestricted funds	2,771,790	324,223	(464,231)	2,631,782
	<u>2,771,790</u>	<u>324,223</u>	<u>(464,231)</u>	<u>2,631,782</u>

FUNDS: ANALYSIS OF NET ASSETS – prior 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>

COPTHORNE SCHOOL TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2023

17. OPERATING LEASES

Operating lease payments totalling £18,983 (2022: £8,897) 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:

	2023	2022
	£	£
Due within 1 year	17,816	8,808
Due from 1-5 years	29,108	10,347
	<hr/> 46,924 <hr/>	<hr/> 19,155 <hr/>

18. RELATED PARTY TRANSACTIONS

There are no related party transactions during the period (2022: £ 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 £248,451 (2022: £233,722) 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 2023

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 £211.1m, liabilities of £249.4m 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 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 as at 31 August 2023 is £67,849.

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

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 2022	Cash flows	Other non cash changes	At 31 August 2023
	£	£	£	£
Cash at bank and in hand	1,521,840	(792,596)	-	729,244
Debt due within 1 year	(59,620)	41,348	(41,348)	(59,620)
Debt due after 1 year	(407,043)		41,348	(365,695)
	<hr/>	<hr/>	<hr/>	<hr/>
	1,055,177	(751,248)	-	303,929
	<hr/>	<hr/>	<hr/>	<hr/>