

SHREWSBURY HOUSE SCHOOL TRUST LIMITED

England & Wales · Charity number 277324

Details

Other names SHREWSBURY HOUSE SCHOOL

Status Registered

Legal form Charitable company

Company number [01411417](#)

Registered 1979-02-20

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

Contact

Address 107 Ditton Road
Surbiton
KT6 6RL

Phone 02083993066

Email shsoffice@shstrust.net

Website www.shrewsburyhouse.net

Activities

Objects: TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF EDUCATION AND IN CONNECTION THEREWITH TO CONDUCT, CARRY ON, ACQUIRE AND DEVELOP ANY EDUCATION INSTITUTION OR EDUCATION INSTITUTIONS FOR THE EDUCATION OF STUDENTS OR PUPILS OF EITHER SEX OR BOTH SEXES.

Activities: The main object of the charity, as set out in its Articles, is to promote and provide for the advancement of education and in connection therewith to conduct, carry on, acquire and develop any education institution or education institutions for the education of students or pupils of either sex or both sexes.

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** NOT DEFINED-IN PRACTICE KINGSTON-UPON-THAMES
- Kingston Upon Thames
- Merton
- Surrey

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£11,106,410	£9,863,255	£13,920,806	130
2023-08-31	£11,539,597	£10,874,016	£12,677,651	138
2022-08-31	£10,645,649	£10,021,616	£11,684,402	145
2021-08-31	£9,818,950	£9,036,827	£11,060,369	140
2020-08-31	£9,748,019	£9,621,321	£10,278,246	144

Trustees

Name	Role	Appointed
Lord Edward Henry Butler Vaizey	Chair	2026-01-01
Caroline Helena Gill		2026-01-01
Naomi Jane McLaughlin		2026-01-01
Paul Derek Gibbon		2019-12-10
Philippa Jane Richards		2023-06-21
Shaman Kapoor		2023-06-21

SHREWSBURY HOUSE SCHOOL TRUST LIMITED

England & Wales - Charity number 277324

Accounts

SHREWSBURY HOUSE SCHOOL TRUST LIMITED

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

Registered Company Number: 01411417
Registered Charity Number: 277324

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees, who are also the Directors of the Company for the purposes of company law, present their annual report, incorporating the strategic report and financial statements for the year ended 31 August 2024. The report covers the activities of Shrewsbury House Preparatory School, Shrewsbury House Pre-Preparatory School and The Rowans School. The Trustees confirm that the financial statements comply with current statutory requirements, those of the governing documents and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' 2019 – Second edition.

REFERENCE AND ADMINISTRATIVE INFORMATION

Shrewsbury House School Trust Limited (the Trust) is a registered charity (number 277324). The legal status of the charity is a company limited by guarantee, without share capital, company number 01411417. The liability of each of the members of the company is limited to an amount not exceeding £5.

The Registered Office and principal address of the Company is:

107 Ditton Road
Surbiton
Surrey
KT6 6RL
United Kingdom

Trustees

The Trustees, who are also all members, have held office from 1 September 2023 to the date of this report, unless otherwise stated are as shown below:

D. Johns	Chairman
P.D. Gibbon	
S.E. Cunnane	appointed 18/03/2024
S. Kapoor	
V. Laville	
H.A. Lowe	Resigned 17/06/2024
I.S. Muir	
P.J. Richards	
D. Sanders	
A.N. Tate	appointed 18/03/2024
C. Thorneycroft	
R. White	

Key Management Personnel

Executive Head of Shrewsbury House School Trust, Head of Shrewsbury House School	Mrs J.M. Hubbard
Head of Shrewsbury House Pre-Preparatory School	Mr J. Akhurst
Head of The Rowans School	Ms E. Spratt
Director of Finance and Operations, Secretary to the Governors	Mr R.A. Harper
Senior Deputy Head	Mr J. Albert
Director of Communications and Compliance	Mrs J. Hand

Professional Advisers

Bankers

National Westminster Bank plc
5 Market Place
Kingston upon Thames
Surrey
KT1 1JX

Lloyds TSB Bank plc
83 High Street
Walton on Thames
Surrey
KT12 1DU

Auditors

Alliotts LLP
3 London Square
Cross Lanes
Guildford
GU1 1UJ

Lawyers

Veale Wasbrough Vizards
Orchard Court
Orchard Lane
Bristol
BS1 5WS

Insurance Brokers

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

Websites

Shrewsbury House School
Shrewsbury House Pre-Preparatory School
The Rowans School

www.shrewsburyhouse.net
www.shrewsburyhousepreprep.net
www.rowans.org.uk

STRATEGIC REPORT

AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

The main object of the Trust, as set out in its Articles of Association, is to promote and provide for the advancement of education, including the provision of financial support to those who cannot afford to pay tuition fees. It also provides for and promotes the use of its facilities to develop education and recreation for the local community as well as to support other educational charities and local state schools.

To achieve this, the Trust runs three independent fee-paying day schools which seek to provide the best possible learning environment. These are Shrewsbury House Pre-Preparatory School for boys and girls aged between 2 and 7, The Rowans School for boys and girls aged between 3 and 7, and Shrewsbury House School for boys aged between 7 and 13. For every child, the Trust aims to provide both an academic and a broad education. This is intended to draw out pupils' abilities and academic potential, awaken and develop wider interests in life and motivate them for a successful and happy future. In particular, we aim to live our schools' values and develop positive learning behaviours.

The main objective of the Trustees is to ensure that all pupils are educated to a consistently high standard, which is a key element of the Trust's ethos and historic traditions. This is achieved by employing high quality, committed teachers and relevant support staff to facilitate the teaching and learning experience. The use of technology is a key enabler in delivering these results.

The principal activity of the Trust continues to be the provision of day schools for children aged between 2 and 13 years' old. In the year under review, the Trust provided education for 525 pupils. In determining the Trust's objectives and planning its activities, careful consideration continues to be given to the Charity Commission's general guidance on public benefit. The Trust clearly aims to:

- Offer financial support through bursaries to those pupils who would thrive on the broad education opportunities offered by the Trust, but whose parents are unable to afford the fees. In addition, we look for senior schools who would be prepared to continue financial support;
- Play a part in supporting and assisting local state schools in providing a broad education for their students;
- Support local and overseas charities through fundraising activities; and
- Play a part in the local community, be aware of the needs of our neighbours, and to offer facilities and support where appropriate.

The Trust is committed to working with the community and seeks to increase pupil numbers travelling to school by minibus, coach or bicycle to minimise the impact on local traffic. The sports facility at Shrewsbury House Sports Ground and also the swimming pool, sports hall, music rooms and theatre at 107 Ditton Road are available to the local community.

REVIEW OF ACTIVITIES AND PERFORMANCE FOR THE YEAR

The three schools of the Trust showed strong performances through the year across the curriculum. Pupils made strong progress and attained excellent results in all age groups.

The Governors provided support and guidance to the schools throughout the year, particularly in connection with large-scale projects and strategic direction. Governors' visits to see the schools in action as well as to have termly dialogue with staff have increased.

Shrewsbury House School

This year saw a record number of events in all areas: competitions, fixtures, senior school engagements and calendar events for both pupils and parents. The school had the highest pupil numbers ever and the strongest set of scholarship results with pupils achieving 25 awards to their chosen senior schools, across academic subjects, sports, art, DT, drama and music.

We are very proud of all the boys for their diligence through the scholarship process. They have achieved 100% success at entrance on scholarship.

Improvements to the premises, including new playground areas, refurbishment of classroom areas, new lockers and continued investment in IT hardware have provided the pupils with ever increasing opportunities to develop curriculum strengths as well as their wellbeing.

We have introduced 'The Shrewsbury House Way', a positive guide to behaviour expectations based on our values system, which has been very well received by all our community and the School Council had an active role in creating it.

The Discovery Programme and Seminar Series for Years 7 and 8 has proved highly successful. These lessons go beyond the regular curriculum and appeal to the curiosity of the boys. Each option encourages the pupils to ask questions, encourage lively discussion about topical issues and the world around them. It also allows them to make choices, taking ownership of their learning, nurturing the variety of interests and talents of our pupils and building their confidence.

It has been a very busy period for engagement with our senior schools, both through visits and also with attendance at their events. These visits have served to reinforce strong relationships and we work closely with both feeder and destination schools to support the boys' educational journey.

SHS has supported several charities over the course of the year with the main charity chosen by pupils being Make-a-Wish Foundation, which grants life-changing wishes for children with critical illnesses. Through pupil-focused fund raising and initiatives, the Shrewsbury House Association made significant donations to improve the lives of others.

Shrewsbury House Pre-Preparatory School

It has been a year to look back on with so much pride, as our children have had the most wonderful school experience. Year 2 completed their time at SHPPS having achieved so much, all moving on to their next school of choice.

The children have all enjoyed a vibrant curriculum including many trips and outings to further embed their in-class learning. Our School TRACK values have been central to the children's development at SHPPS, helping them become confident, resilient learners, eager to give their best. The children have excelled in competitions and assessments, with every year group taking a prize in a community Art project and all of the Year 1 and 2 children achieving Distinction or Merit in their LAMDA exams.

The School developed further its new two-year-old provision, increasing opportunities for our very youngest children.

Whole community involvement has been incredibly strong, with countless activities and events for the whole school and several notable ones for the local community. Our charitable involvement has included the support of a Home School Sports initiative, where a large group have used our field free of charge, twice a week and a free weekly community toddler group. We have actively raised funds and supported charities including: Macmillan Cancer Support, Princess Alice Hospice, East Elmbridge Foodbank and the Royal British Legion, while also fully supporting two families from the Ukraine.

The Rowans School

The School has had a busy and productive year.

LAMDA results were, once again, extremely strong with 89% of Year 1 achieving Distinction and 97% of Year 2 gaining Distinction.

We have retained our Gold Travel Award from TfL and our Junior Travel Ambassadors have worked with parents and the local community to promote safe and sustainable travel throughout the year.

We have an accreditation with the British Council International Schools Award in recognition of our very strong international ethos and programme that is woven throughout our curriculum. We also gained our Silver Artsmark

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2024

award. Artsmark is the only creative quality standard for schools and education settings, accredited by Arts Council England.

We remain actively reflective over our curriculum, taking on board feedback from our recent Independent School Inspectorate inspection and current educational research. Recognising the importance of values, mental health awareness and life skills are all key factors in this area, and The Rowans School has much to showcase in regard to these.

This year the School has supported DONS Local Action Group and WWF through various whole-school fundraising initiatives.

FUNDRAISING

All fundraising activity across the Trust continues to be managed in an open and transparent fashion with the clear objective of being respectful, responsible and accountable so that potential and existing supporters of our work have complete confidence in their giving to the Trust. There were no complaints received by the Trust during the reporting period about its fundraising practices.

We are grateful to parents who donated towards developing the infrastructure of the schools.

FINANCIAL RESULTS AND RESERVES POLICY

Shrewsbury House School and The Rowans School continue to see strong pupil numbers. Shrewsbury House Pre-Preparatory School is recovering from the high level of withdrawals caused by COVID-19, but more slowly.

Net income of the Trust for the year amounted to £1,243,155 (2023: £993,249), after an unrealised investment gain of £Nil (2023: £327,668).

The Board of Governors continues to plan for surplus net income every year, which is added to reserves to enable reinvestment in the future to meet the objectives of the Trust's capital development plans. The funds at the year-end totalled £13,920,806 (2023: £12,677,651), which included £13,828,798 of unrestricted funds (2023: £12,351,158) and £92,008 of restricted funds (2023: £326,493). These include funds for major projects.

The Board of Governors continues to monitor the financial risks affecting the Trust to ensure that it continues to meet its charitable objectives, remains financially sustainable and a going concern. Its long-term cash flow is being stress-tested and reviewed periodically. The Board does not see any indication that the Trust is unable to meet its future obligations as they fall due, but recognises that we continue to need bank loans to fund our existing facilities and servicing the obligations as a result of the acquisition of The Rowans School and its site in Wimbledon.

PUBLIC BENEFIT

The Trust has adopted a multi-faceted approach to public benefit as is reflected in its Articles of Association, providing education to pupils who would otherwise be educated at public expense. The Trust is committed to providing bursaries to those families whose children, whilst being of the ability and personality to thrive at Shrewsbury House School, may not be able to afford to send their children here. Fundamental to the bursary policy, enshrined in the Trust's ethos, is that the child is placed first and the parents' means second. The approach to bursaries covers new and existing pupils and has been used to provide financial assistance in the event of unforeseen financial difficulties faced by existing parents. Bursaries are normally awarded each academic year and are means-tested. Further details are included in the 'About us' section of Shrewsbury House School's website and interested parents should contact the School for additional information. Currently 9 (2023: 7) pupils hold means-tested bursaries, varying in value from 20% to 100% of annual fees, of which 7 are life-changing at 80% or above. In total terms, concessions inclusive of staff fee discounts have been accorded to 19 (2023: 20) pupils at a cost to the Trust of £174,453 (2023: £185,303).

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2024

The Trust aims to use school facilities for education and recreation for the local community. The use of school facilities increased this year and the Trust has continued to support its wide range of community and commercial clients. The Trust has maintained its relationship with two local state schools and use of the swimming pool facility is provided free of charge, supporting around 80 children per week, with potential to widen its availability further. Our transport service provides minibus and coach use to local scout groups, supporting well over 100 children. Commercial clients use the sports facilities at each site and a local dance school is based at Shrewsbury House School, supporting over 1,000 children each week. Shrewsbury House School's facilities in particular are used by many clubs during school holidays, including one club with an extra 1,200 children attending over five weeks in the summer. New business remains a focus for members of the lettings team, who continues to forge local links with state schools and community groups.

PLANS FOR THE FUTURE

We have secured planning consent for the master plans submitted for all three sites from the Royal Borough of Kingston, the Royal Borough of Merton and Elmbridge Borough Council. However, given the continuing uncertain economic landscape, the Trustees have paused development for the time being. The Trustees will continue to assess the timing of the commencement of works.

The Trust continues to invest significantly in ensuring that the IT infrastructure and hardware in all our schools is fit for purpose and creates the enabling learning environment needed to equip our pupils for a fast-changing technological world. The Trust has a robust platform for the delivery of the curriculum via distance learning should this prove necessary again.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Governors is responsible for the management of all risks faced by the Trust. Governors are supported by the Trust Executive Committee. Risks are identified, assessed and controls established to mitigate the risks identified. The Trust's Risk Register is reviewed by the Legal & Estates Committee on a termly basis and a summary tabled to the Board of Governors.

The principal risks identified by the Governors are categorised under the following headings:

- External factors including political, environmental, legal and regulatory and economic;
- Financial;
- Operational;
- Compliance;
- Human Resources; and
- Governance.

External factors

The Trust is constantly assessing the effects of the changes in political and economic factors that may affect the operation of the schools and delivery of its offering in the short, medium and longer term. The key responsibilities of the sub committees are set out under the section 'Organisation and Management'. The Finance Committee, in conjunction with the Director of Finance and Operations, is responsible for developing and stress-testing financial models, which are regularly reviewed.

There are factors outside the control of the Trust such as political uncertainty, Brexit, COVID-19 and wars in Ukraine and the Middle East. The Board of Governors, Legal & Estates Committee and the Trust Executive Committee closely monitor the potential impact of these risks. The Trust follows Government guidance with regards to restrictions and preventative measures. Comprehensive risk assessments have been developed and published on each of the schools' websites.

The major risks are that pupil numbers will fall and/or that parents will be unable to continue paying the schools' fees. Pupil numbers and outstanding fees are closely monitored. The Trust continues to look for indicators of financial hardship and offer assistance where possible.

Financial

There is a risk that pupil numbers may not be sufficient to maintain the Trust's long-term plan, particularly with school fees no longer being exempt from VAT for terms commencing after 1 January 2025, the increase in Employer's National Insurance contributions from April 2025 and the withdrawal of business rates relief from April 2025. The Trust mitigates

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2024

this risk by producing a 10-year cash flow projection, reviewed at least termly. This is supported by bank borrowing, repayable in between 1 year and 10-years' time.

Another key risk was the expected increase in employer contributions to the Teachers' Pension Scheme (TPS). The employer contribution rates increased from 16.48% to 23.68% from 1 September 2019, an increase of 43.7%. This had a significant impact on the Trust's 2020-21 and 2021-22 performance. The employer contribution rate increased to 28.68% from 1 April. The Board of Governors had decided that a withdrawal from the TPS was prudent. After an extensive consultation process, this took place at 31 August 2023, with the TPS replaced by a defined contribution scheme with a combined contribution and benefit rate of 18.5% from 1 September 2023.

Operational

Educational success across the curriculum demands employing committed staff with current, up-to-date teaching and learning facilities to ensure that pupils are able to progress in a learning-friendly environment. The risk of not achieving educational success is managed by partnering with parents, encouraging regular communication as the child progresses, combining attractive salaries for staff and on-going investment in the estate and infrastructure.

Compliance

The Trust's success has been built upon its reputation for the education and wellbeing of its pupils. The risk of damage to the Trust's reputation is managed through the regular implementation and monitoring of safeguarding and staff recruitment policies, pastoral support for both pupils and staff plus the active identification and resolution of health and safety issues.

The Trust also takes its compliance with General Data Protection Regulation (GDPR) and UK Data Protection Regulations very seriously. All staff are briefed in how to minimise the risk of losses or accidental release of personal data on a regular basis.

Human Resources

Recruitment and retention of high-quality staff members is a top priority for the Trust Executive Committee. The terms and conditions for teaching staff are reviewed regularly to ensure that these are in line with those of similar independent schools. A full programme of staff development is in place to ensure that staff are kept abreast of the best possible practice and they have scope to fully develop their experience whilst at the Trust.

Governance

Details of the recruitment, training, skills and structure of the Board of Governors and its sub-committees are provided under the 'Structure, Governance and Management' section.

Key controls used by the Trust to manage risk include:

- Formal agendas for all committee and Board activity;
- Detailed terms of reference for all committees;
- Comprehensive strategic planning, budgeting and management accounting information;
- Established organisational structure and lines of reporting;
- Formal written policies on all aspects of activity; and
- Vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the Trust, the Governors are satisfied that the major risks identified have been adequately mitigated where possible. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been suitably managed.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The governing document of the Trust is its Articles of Association.

Governing Body

A Board of Governors, whose members are also Directors of the Company (herein referred to as "Trustees"), governs the Trust. The Trustees meet regularly in the manner prescribed in the Articles of Association and meet as a full board at least once a term. The sub-committees (Finance, Strategy, Education and Legal & Estates) meet at least once a term.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2024

The normal term of office for a Governor is three years. A Governor is eligible for re-election for further terms of office. The Trustees are authorised to appoint new members provided they do not exceed the maximum of 15 prescribed by the Articles of Association. The Board of Governors aims to recruit Trustees who have a range of specialist skills, in order to maintain a strong balance of expertise. Current members include experts in education, financial management, law, banking, property and estates, risk and insurance. No Trustee has any beneficial interest in the company.

Trustee Induction and Training

All new Trustees receive an induction pack, which explains their role, the role of the Board of Governors, and details of Charity Commission and Companies House requirements. They are also given background information on previous Board decisions, Board papers and general information about the schools. The new Governor's Induction Programme includes a meeting with the Executive Head, the Designated Safeguarding Lead and the Clerk to the Governors to ensure that there is a thorough understanding of how the schools fulfil their regulatory obligations. All Governors are informed of relevant courses available to them throughout the year, including courses and conferences run by the Independent School Inspectorate, Association of Governing Bodies of Independent Schools, the Independent Association of Prep Schools, the Independent Schools' Bursars Association, the Independent Schools Council and our auditors.

Organisation and Management

The Trustees determine the general policy of the Trust, meeting each term to receive reports from the heads of each school and the chairs of the sub-committees.

The Education Committee reviews all matters relating to the delivery of the curricula within each school and policies which are entirely pupil-centred. The Legal & Estates Committee reviews a wide range of topics including estates development, health and safety, supplier and staff contractual matters, general regulatory matters, complaints and the single central register of appointments. The Finance Committee reviews the Trust's on-going financial position and examines recommendations from the other committees for development projects prior to seeking main board approval. It manages, at an executive level, the budgets of the Trust, including remuneration policy and fee levels which are approved by the main Board.

Key Management Personnel

The day-to-day running of the Trust is delegated to the Executive Head and the Director of Finance and Operations, who are supported by the Trust Executive Committee and the Governors; together this group are the key management personnel, as set out on page 1 of this document.

The Governors give of their time freely and the remuneration of the senior staff is set by the Finance Committee and kept under annual review. The Executive Head's remuneration is also reviewed annually, but by the Chairman and Deputy Chairman who submit their proposals for consideration to the full Board of Governors. The criteria used in reviewing and setting pay are:

- The nature of the role and breadth of responsibilities;
- Participation in salary surveys providing a range of relevant comparable data;
- Competitor salaries in the region where this is available; and
- Overall trends in pay.

Group Structure and Relationships

The Trust is the corporate structure through which the schools are organised and managed. There is an Executive Head, who is also the head of Shrewsbury House School in Surbiton, and two other heads, one at Shrewsbury House Pre-Preparatory School in Esher and another who manages the affairs of The Rowans School in Wimbledon.

Shrewsbury House School benefits from the support of the Shrewsbury House Association, Shrewsbury House Pre-Preparatory School from the support of Shrewsbury Pre-Preparatory Association and The Rowans School from the support of Friends of The Rowans School. These bodies are organised by representatives of the parents and raise funds to provide additional benefits to the pupils.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Shrewsbury House School Trust Limited for the purpose of Company Law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year which 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 Trustees are required to:

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


The Trustees are responsible for keeping proper accounting records that 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.

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information and to establish that the auditor is aware of that information.

ON BEHALF OF THE BOARD

The Trustees' Report incorporating the Strategic Report was approved and authorised for issue by the Board of Trustees on 2 December 2024 and signed on its behalf by:


Darren Johns (Jan 16, 2025 11:56 GMT)

.....

D. Johns


Paul Gibbon (Jan 16, 2025 12:45 GMT)

.....

P.D. Gibbon

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHREWSBURY HOUSE SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of Shrewsbury House School Trust Limited for the year ended 31 August 2024 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of the charitable company's net movement in funds, including the 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Trustees have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees (which incorporates the strategic report and 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 by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 9, 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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to The Education (Independent School Standards) Regulations 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and 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 and Charities Act 2011, and considered other factors such as payroll tax and sales tax.

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 posting inappropriate journal entries to income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings with unusual amounts or descriptions, and postings with unusual date characteristics; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHREWSBURY HOUSE SCHOOL TRUST LIMITED

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

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

Use of our report

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



.....
Stephen Meredith BA, FCA, DChA (Senior Statutory Auditor)
For and on behalf of Alliotts LLP, Statutory Auditors

Date: 17/01/2025
.....

3 London Square
Cross Lanes
Guildford
Surrey
GU1 1UJ

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2024

(incorporating income and expenditure account)

	Notes	Unrestricted General Fund £	Restricted Funds £	Total 2024 £	Total 2023 £
INCOME FROM:					
Income from charitable activity					
School fees	3	9,863,925	-	9,863,925	9,895,704
Ancillary trading income	4	912,593	-	912,593	1,051,989
Other trading activities					
Rental and lettings income		133,488	-	133,488	126,070
Investment income					
Bank and other interest		63,062	-	63,062	26,225
Property investment income		26,900	-	26,900	22,530
Voluntary sources					
Grants and donations	5	2,211	92,851	95,062	407,987
Other Income					
Other Income		9,934	1,446	11,380	9,092
Total Income		11,012,113	94,297	11,106,410	11,539,597
EXPENDITURE:					
Costs of raising funds:					
Financing costs		156,564	-	156,564	203,570
Charitable activity:					
Education		9,701,846	4,845	9,706,691	10,670,446
Total Expenditure	6	9,858,410	4,845	9,863,255	10,874,016
NET INCOME BEFORE INVESTMENT GAINS AND TRANSFERS		1,153,703	89,452	1,243,155	665,581
Net investment gain		-	-	-	327,668
Transfers between funds	15	323,937	(323,937)	-	-
NET MOVEMENT IN FUNDS		1,477,640	(234,485)	1,243,155	993,249
Fund balance brought forward at 1 September 2023		12,351,158	326,493	12,677,651	11,684,402
Fund balances carried forward at 31 August 2024	15	13,828,798	92,008	13,920,806	12,677,651



The results for the year and the prior year are derived from continuing activities.

The comparative statement of financial activities is note 22.

The notes on pages 16 to 27 form part of these financial statements.

	Notes	2024 £	2023 £
Fixed assets			
Tangible fixed assets	9	15,900,681	16,149,228
Investments - properties	10	650,000	650,000
		<u>16,550,681</u>	<u>16,799,228</u>
Current assets			
Debtors	11	387,316	295,388
Cash at bank		5,855,874	2,311,663
		<u>6,243,190</u>	<u>2,607,051</u>
Current liabilities			
Creditors – due within one year	12	(4,968,462)	(2,204,619)
		<u>1,274,728</u>	<u>402,432</u>
Net current assets/(liabilities)			
Total assets less current liabilities		17,825,409	17,201,660
Creditors – due after more than one year	13	(3,904,603)	(4,524,009)
		<u>13,920,806</u>	<u>12,677,651</u>
Net assets			
Represented by:			
Unrestricted funds	15	13,828,798	12,351,158
Restricted funds	15	92,008	326,493
		<u>13,920,806</u>	<u>12,667,651</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 2 December 2024 and were signed below on its behalf by:

)	
<small>Darren Johns (Jan 16, 2025 11:56 GMT)</small>)	
.....)	
D. Johns)	
)	
)	Trustees
<small>Paul Gibbon (Jan 16, 2025 12:45 GMT)</small>)	
.....)	
P.D. Gibbon)	

The notes on pages 16 to 27 form part of these financial statements.

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
<i>Net cash provided by operating activities</i>	17.A	5,075,004	1,406,755
Cash flows from investing activities:			
Bank interest		63,062	26,225
Property investment income		26,900	22,530
Purchase of tangible fixed assets		(374,946)	(220,245)
Sales proceeds from sale of tangible fixed assets		179	165
<i>Net cash used in investing activities</i>		<u>(284,805)</u>	<u>(171,325)</u>
Cash flows from financing activities:			
New borrowing		-	-
Repayments of borrowing		(1,245,988)	(734,142)
<i>Net cash used in financing activities</i>		<u>(1,245,988)</u>	<u>(734,142)</u>
<i>Change in cash and cash equivalents in the reporting period</i>		3,544,611	(501,288)
Cash and cash equivalents at the beginning of the reporting period		2,311,663	1,810,375
Cash and cash equivalents at the end of the reporting period	17.B	<u>5,855,874</u>	<u>2,311,663</u>

The notes on pages 16 to 27 form part of these financial statements.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024

1. CHARITABLE STATUS

The Trust is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee and does not have any share capital. It was incorporated on 25 January 1979 (company number: 01411417) and registered as a charity on 20 February 1979 (charity number: 277324).

2. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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 statements are drawn up under the historical cost convention.

The functional currency of the Trust is considered to be GBP because that is the currency of the primary economic environment in which the Trust operates.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis, in particular, the carrying value of the construction in progress totalling £48,021 (2023: £48,021). Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees, other than those identified above, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Going concern

As highlighted in the Report of the Trustees, having assessed the Trust's financial position, the plans for the foreseeable future, the risks to which the Trust is exposed and the detailed cash projections, the Trustees are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

The following principal accounting policies have been applied:

Income

All income is recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Fees and similar income

Fees receivable and charges for services and use of the premises are accounted for in the year in which the services are provided. Fees receivable are stated after deducting bursaries, scholarships and other remissions allowed by the Trust.

Registration fees are non-refundable and are credited to income when received.

Deposits are included as a liability until refunded or, on ceasing to be refundable, are credited to income.

Advance fees are credited to income as and when the fees fall due.

Rental and investment income

Rents are stated gross and are included on an accruals basis. Interest received represents gross interest derived from cash deposits held and credit balances and is accounted for on a receivable basis.

Donations and legacies and other voluntary income

All donations, legacies and other voluntary income are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Trust is considered probable.

Donations received for the general purposes of the Trust are credited to Unrestricted Funds. Donations subject to specific wishes of the donors are credited to the relevant Restricted Funds.

Government grants

The Coronavirus Job Retention Scheme (CJRS) resulted in cash payments from government to compensate employers for part of the wages, associated national insurance contributions (NICs) and employer pension contributions of employees who were placed on furlough (that is, placed on a temporary leave of absence from working for the employer). This is accounted for in accordance with Section 24 of FRS 102 and the performance model is used to recognise these grants.

Expenditure

Expenditure is accounted for on an accruals basis where there is a legal or constructive obligation to make a payment to a third party and the amount of the obligation can be measured reliably. Charitable expenditure represents the costs of running the Trust including salaries, catering, premises and welfare costs. Costs of raising funds include financing costs. Charitable expenditure is allocated to the appropriate headings relevant to the charitable activities on a direct basis. Support costs mainly represent office administration. Irrecoverable VAT is charged to the Statement of Financial Activities as incurred. Governance costs comprise the costs of running the Trust, including strategic planning for its future development, external audit, legal advice and all the costs of complying with constitutional and statutory requirements.

Operating leases

The annual rental for operating leases is charged to the Statement of Financial Activities on a straight-line basis over the lease term.

Staff Benefits including pension costs

The Trust contributed to the following schemes:

- i. The Trust contributed to the Teachers' Pension Scheme in the prior year. This is a multi-employer pension scheme and it is not possible to identify the Trust's share of the underlying assets and liabilities on a consistent and reasonable basis. Therefore, as required by FRS 102, the Trust accounted for the scheme as if it were a defined contribution scheme. The Trust's contributions, which are in accordance with the recommendations of the Government Actuary, were charged in the period in which the salaries to which they related were payable.
- ii. The Trust also operates a defined contribution scheme, formerly with Aviva, and then with APTIS from 1 September 2023 for all staff. Contributions to the plan were made in accordance with the rules of the plan and are charged to expenditure when they were payable.

Short term benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accruals basis and in accordance with FRS 102.

Funds

Restricted - where the purpose for which the funds may be used has been restricted by donors; and

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objects.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024

Tangible Fixed Assets

All assets purchased are included at their purchase price. Assets with a cost below £200 are not capitalised.

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation has been provided on the straight-line method by reference to the anticipated useful lives of the assets concerned at the following rates:

Land	-	Not depreciated
Freehold property buildings	-	2% per annum
Property improvements	-	Up to 20 years
Motor vehicles	-	20% per annum
Plant, equipment and computers	-	20% to 25% per annum

No depreciation is charged to assets under construction.

Assets are reviewed for impairment on an annual basis and any charges are expensed to the Statement of Financial Activities.

Investments

Investments are stated at market value as at the balance sheet date, and any gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities.

Property investments are valued using professional advice and on the basis of market value as defined in the RICS Appraisal and Valuation Manual ("The Red Book"). Independent valuations of relevant property investments have been carried out at 31 August 2024.

Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and cash equivalents, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and cash equivalents is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, when applicable, are shown within current liabilities.

Debtors

Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Creditors

Creditors are recognised where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Deferred consideration

Shrewsbury House School Trust Limited has agreed to pay a deferred consideration to The Corporation of King's College Wimbledon following the acquisition of The Rowans School on 31 July 2017. The deferred consideration has been discounted to present value and is shown under Creditors.

Bank borrowings

Liabilities for borrowings which are subject to a market rate of interest are measured at the value of the amount advanced, less capital repayments.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024

3. CHARITABLE ACTIVITY - SCHOOL FEES RECEIVABLE

	2024 £	2023 £
Gross school fees	10,038,379	10,081,007
Less: Total bursaries, grants and allowances	(174,454)	(185,303)
	<u>9,863,925</u>	<u>9,895,704</u>

4. ANCILLARY INCOME

	2024 £	2023 £
Registration fees	48,900	41,550
School fees insurance	8,286	8,570
School fees draw	-	11,900
Extras	584,517	715,911
Minibus charges	270,890	273,058
	<u>912,593</u>	<u>1,051,989</u>

5. INCOME FROM VOLUNTARY SOURCES

	2024 £	2023 £
Donations and grants	95,062	407,987

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff Costs £	Other £	Depreciation /Impairment £	Total 2024 £	Total 2023 £
Costs of raising funds:					
Financing costs	-	156,564	-	156,564	203,570
Charitable activity:					
Teaching	4,627,966	799,134	185,711	5,612,811	5,845,972
Premises	317,098	1,112,628	436,140	1,865,866	2,602,592
Welfare	-	597,506	-	597,506	627,686
Support costs – other	1,273,690	340,543	-	1,614,233	1,578,175
Support costs – governance	-	16,275	-	16,275	16,021
Total	<u>6,218,754</u>	<u>3,022,650</u>	<u>621,851</u>	<u>9,863,255</u>	<u>10,874,016</u>

2023 COMPARATIVES

	Staff Costs £	Other £	Depreciation £	Total 2023 £
Costs of raising funds:				
Financing costs	-	203,570	-	203,570
Charitable activity:				
Teaching	4,736,304	927,004	182,664	5,845,972
Premises	333,623	1,101,266	1,167,703	2,602,592
Welfare	-	627,686	-	627,686
Support costs – other	1,246,357	331,818	-	1,578,175
Support costs – governance	-	16,021	-	16,021
Total	<u>6,316,284</u>	<u>3,207,365</u>	<u>1,350,367</u>	<u>10,874,016</u>

Support costs include the costs borne by the Trust for the administrative functions and include Compliance, Human Resources, Facilities, Finance, Information Technology, Marketing and Minibuses.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024

ANALYSIS OF TOTAL EXPENDITURE (Continued)

	2024	2023
	£	£
GOVERNANCE COSTS		
Audit fees (excluding VAT)	16,275	15,500
Trustee expenses	-	521
	<u>16,275</u>	<u>16,021</u>

7. NET INCOME FOR THE YEAR

	2024	2023
	£	£
This is stated after charging:		
- Auditors' remuneration - Audit (excluding VAT)	16,275	15,500
- Other fees (excluding VAT)	3,303	4,060
Operating leases (excluding VAT)	<u>124,171</u>	<u>131,477</u>

8. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	4,966,822	4,970,527
Social security costs	483,892	519,079
Other pension costs	692,786	793,193
Other staff costs	65,254	31,311
Redundancy and termination payments	10,000	2,174
	<u>6,218,754</u>	<u>6,316,284</u>

	2024	2023
	Number	Number
The average number of persons employed by the Trust during the year was:		
Teaching staff and teaching assistants	79	84
Support and other staff and gap students	38	42
Minibus drivers – part-time	14	12
	<u>130</u>	<u>138</u>

The number of employees who received emoluments and benefits in the following ranges were:

£60,001 - £70,000	4	5
£70,001 - £80,000	4	2
£80,001 - £90,000	3	3
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
£150,001 - £160,000	-	1
£180,001 - £190,000	1	-

The Trust made employer's pension contributions totalling £168,843 (2023: £182,605) on behalf of the higher paid employees.

Aggregate employee benefits of key management personnel – Senior management team	<u>995,385</u>	<u>936,982</u>
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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024

9. TANGIBLE FIXED ASSETS

	Freehold Property	Leasehold Property	Freehold Property Improvements	Construction in Progress	Equipment, Computers and vehicles	Total
	£	£	£	£	£	£
Cost or Valuation						
At 1 September 2023	17,644,488	82,350	3,834,499	48,021	2,385,534	23,994,892
Additions	-	-	312,448	-	62,498	374,946
Disposals	-	-	-	-	(1,690)	(1,690)
At 31 August 2024	17,644,488	82,350	4,146,947	48,021	2,446,342	24,368,148
Depreciation						
At 1 September 2023	3,318,833	-	2,582,578	-	1,944,253	7,845,664
Charge for the year	253,857	-	182,286	-	185,708	621,851
Disposals	-	-	-	-	(48)	(48)
At 31 August 2024	3,572,690	-	2,764,864	-	2,129,913	8,467,467
Net Book Value						
At 31 August 2024	14,071,798	82,350	1,382,083	48,021	316,429	15,900,681
At 31 August 2023	14,325,655	82,350	1,251,921	48,021	441,281	16,149,228

Lloyds TSB Bank Plc holds a first legal charge over the freehold property dated September 2011 in respect of 22 Milbourne Lane, Esher, KT10 9EA.

Lloyds Bank plc holds a first legal charge over the freehold property dated 31 July 2017 in respect of 19 Drax Avenue, Wimbledon Common, London, SW20 0EG. Lloyds Bank plc also has a debenture dated 12 March 2021 in the form of a floating charge over all the properties of the Trust and a negative pledge.

10. INVESTMENTS

	Investment Property £	2024 Total £	Investment Property £	2023 Total £
Market Value				
At 1 September 2023	650,000	650,000	-	-
Reclassification from tangible fixed asset	-	-	322,332	322,332
Unrealised gain	-	-	327,668	327,668
At 31 August 2024	650,000	650,000	650,000	650,000
Attribution to Funds				
Unrestricted funds	650,000	650,000	650,000	650,000
Restricted funds	-	-	-	-
At 31 August 2024	650,000	650,000	650,000	650,000
Net Book Value on Reclassification				
At 1 September 2023	322,332	322,332	-	-
Reclassification from tangible fixed asset	-	-	322,332	322,332
At 31 August 2024	322,332	322,332	322,332	322,332

The net investment gain in the SOFA comprises an unrealised gain of £Nil (2023: £327,668) relating to a property let to an unrelated party on a commercial basis.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024

11. DEBTORS

	2024	2023
	£	£
Due within one year:		
Trade debtors	82,344	63,212
Other debtors	13,570	6,908
Prepayments and accrued income	291,402	225,268
	<u>387,316</u>	<u>295,388</u>

12. CREDITORS: Amounts falling due within one year

	2024	2023
	£	£
Bank loans (see note 13)	572,912	738,488
Trade creditors	253,527	220,692
Social security costs and other taxation	115,190	119,461
Other creditors	168,896	192,330
Accruals	144,296	184,541
Pupil deposits	258,892	212,887
Fees in advance	3,454,749	536,220
	<u>4,968,462</u>	<u>2,204,619</u>

13. CREDITORS: Amounts falling due after one year

	2024	2023
	£	£
Bank loans (see note 13)	2,979,597	3,552,509
Pupil deposits	925,006	971,500
	<u>3,904,603</u>	<u>4,524,009</u>

Pupil deposits are refundable when a pupil leaves the school.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024

14. BANK LOANS

	2024 £	2023 £
The bank loans are repayable by instalments		
Due after five years	1,216,765	1,550,275
Due within two to five years	1,178,516	1,429,322
Due within one to two years	584,316	572,912
	<u>2,979,597</u>	<u>3,552,509</u>
Due within one year (note 11)	572,912	738,488
	<u>3,552,509</u>	<u>4,290,997</u>

Shrewsbury House School Trust Limited had a bank loan with NatWest Bank which was taken out in March 2004 and fully repaid in November 2023.

Shrewsbury House School Trust Limited has a Coronavirus Business Interruption Loan (CBIL) with Lloyds Bank which was drawn down on 17 May 2021. The current rate of interest paid on the loan is fixed at 3.91%. The loan is repayable in monthly instalments starting June 2022 until May 2027 when the loan will be fully repaid.

Shrewsbury House School Trust Limited has a bank loan with Lloyds Bank which was drawn down on 31 July 2017. The current rate of interest paid on the loan is fixed at 4.12%. The loan is repayable in termly instalments starting in September 2019 until July 2032 when the loan will be fully repaid.

15. FUNDS

	Balance at 1 September 2023 £	Income £	Expenditure £	Gains (Losses) £	Transfers £	Balance at 31 August 2024 £
<i>Unrestricted fund:</i>						
General fund	12,351,158	11,012,113	(9,858,410)	-	323,937	13,828,798
<i>Restricted funds:</i>						
Infrastructure and equipment	326,493	94,297	(4,845)	-	(323,937)	92,008
TOTAL FUNDS	<u>12,677,651</u>	<u>11,106,410</u>	<u>(9,863,255)</u>	<u>-</u>	<u>-</u>	<u>13,920,806</u>

The transfer from the restricted fund arose on the use of the funds on capital expenditure during the year.

2023 COMPARATIVES

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains (Losses) £	Transfers £	Balance at 31 August 2023 £
<i>Unrestricted fund:</i>						
General fund	11,668,763	11,144,209	(10,848,726)	327,668	59,242	12,351,156
<i>Restricted funds:</i>						
Infrastructure and equipment	15,639	395,388	(25,290)	-	(59,242)	326,495
TOTAL FUNDS	<u>11,684,402</u>	<u>11,539,597</u>	<u>(10,874,016)</u>	<u>327,688</u>	<u>-</u>	<u>12,677,651</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024

16. NET ASSETS OF THE FUNDS

	Fixed Assets £	Net Current Assets (Liabilities) £	Long-Term Liabilities £	Total £
Unrestricted fund	16,550,681	1,182,720	(3,904,603)	13,828,797
Restricted funds	-	92,008	-	92,008
TOTAL FUNDS	16,550,681	1,274,728	(3,904,603)	13,920,806

2023 COMPARATIVES

	Fixed Assets £	Net Current Assets (Liabilities) £	Long-Term Liabilities £	Total £
Unrestricted fund	16,799,228	75,939	(4,524,009)	12,351,158
Restricted funds	-	326,493	-	326,493
TOTAL FUNDS	16,799,228	402,432	(4,524,009)	12,677,651

17. NOTES TO STATEMENT OF CASH FLOW

	2024 £	2023 £		
Reconciliation of net income to net cash flow from operating activities				
A. Net income for the reporting period (as per the Statement of Financial Activities)	1,243,155	993,249		
Adjustments for:				
Depreciation charges	621,851	605,259		
Impairment charges	-	745,108		
Loss/(profit) on disposal of fixed assets	1,463	(11)		
Bank interest	(63,062)	(26,225)		
Property investment income	(26,900)	(22,530)		
Investment gain	-	(327,668)		
(Increase)/Decrease in debtors	(91,928)	26,888		
Increase/(Decrease) in creditors excluding bank loans	3,390,425	(587,315)		
Net cash provided by operating activities	5,075,004	1,406,755		
B. Analysis of cash and cash equivalents				
Cash at bank and in hand	5,855,274	2,311,663		
Total cash and cash equivalents	5,855,274	2,311,663		
C. Analysis of changes in net debt				
	Balance at 1 September 2023 £	Cash Flows £	Transfers £	Balance at 31 August 2024 £
Cash	2,311,663	3,544,611	-	5,855,874
Loans falling due within one year	(738,488)	177,273	(11,697)	(572,912)
Loans falling due after more than one year	(3,552,509)	561,215	11,697	(2,979,597)
TOTAL	(1,979,334)	4,282,699	-	2,303,365

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024

18. PENSION COMMITMENTS

The Trust participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff until 31 August 2023.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate for the TPS is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The employer contribution rate was 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08%, so a total employer contribution rate of 23.68%.

The Trust also contributed to a pension scheme administered by Aviva for non-teaching staff until 31 August 2023.

The Trust withdrew from the TPS at 31 August 2023, replacing it with a defined contribution scheme, APTIS, for both teaching and non-teaching staff.

	2024	2023
	£	£
Contributions payable to the TPS for teaching staff	-	692,032
Contributions payable to scheme administered by Aviva for non-teaching staff	-	100,973
Contributions payable to APTIS for teaching and non-teaching staff	692,052	-
	<u>692,052</u>	<u>793,005</u>

	2024	2023
	£	£
Accrued at 31 August		
with respect to contributions to the TPS	-	81,033
with respect to APTIS for teaching and non-teaching staff	2,522	-
	<u>2,522</u>	<u>81,033</u>

19. COMMITMENTS UNDER OPERATING LEASES AND CAPITAL COMMITMENTS

	Assets other than land & buildings	
	2024	2023
	£	£
Due within one year	91,468	122,347
Due between one to five years	62,132	91,468
	<u>153,600</u>	<u>213,905</u>

Capital commitments contracted for but not provided in these accounts at 31 August 2024 were £Nil (2023: £Nil).

20. INDEMNITY INSURANCE

The Trust purchased insurance, at a cost of £980 (2023: £980) for the Trustees during the year to indemnify them against any liabilities arising as a result of negligence on the Trust's behalf.

21. RELATED PARTY TRANSACTIONS

No payments were made to Trustees during the year for reimbursement of expenses (2023: £Nil). Amounts paid directly to third parties on behalf of Trustees during the year amounted to £Nil (2023: £521).

During the year, the Shrewsbury House Association donated £11,333 towards projects at Shrewsbury House School. The Shrewsbury House Pre-Preparatory Association donated £1,783 to projects at Shrewsbury House Pre-Preparatory School. The Friends of Rowans donated £4,171 towards projects at The Rowans School.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024

22. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted General Fund £	Restricted Fund £	Total 2023 £
INCOME FROM:				
Income from charitable activity				
School fees	3	9,895,704	-	9,895,704
Ancillary trading income	4	1,051,989	-	1,051,989
Other trading activities				
Rental and lettings income		126,070	-	126,070
Investment income				
Bank and other interest		26,225	-	26,225
Property Investment income		22,530	-	22,530
Voluntary sources				
Grants and donations	5	12,599	395,388	407,987
Other Income				
Other Income		9,092	-	9,092
Total Income		<u>11,144,209</u>	<u>395,388</u>	<u>11,539,597</u>
EXPENDITURE:				
Costs of raising funds:				
Financing costs		203,570	-	203,570
Charitable activity:				
Education		10,645,156	25,290	10,670,446
Total Expenditure	6	<u>10,848,726</u>	<u>25,290</u>	<u>10,874,016</u>
NET INCOME				
		295,483	370,098	665,581
Net investment gain		327,668	-	327,668
Transfers between funds		59,244	(59,244)	-
NET MOVEMENT IN FUNDS				
		682,395	310,854	993,249
Fund balance brought forward at 1 September 2022		<u>11,668,763</u>	<u>15,639</u>	<u>11,684,402</u>
Fund balances carried forward at 31 August 2023	15	<u><u>12,351,158</u></u>	<u><u>326,493</u></u>	<u><u>12,677,651</u></u>



2nd December 2024

Alliotts LLP
3 London Square
Cross Lanes
Guildford
Surrey
GU1 1UJ

Dear Sirs

This representation letter is provided in connection with your audit of the financial statements of Shrewsbury House School Trust Limited for the year ended 31 August 2024 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position at 31 August 2024 and of the results of its operations and its cash flows for the year then ended in accordance with the Companies Act 2006 and the Charities Act 2011.

We acknowledge our responsibility for the following matters:

- the preparation of financial statements in accordance with the Companies Act 2006, Charities Act 2011 and Charities SORP 2019;
- making complete and accurate representations to you;
- the design, implementation and maintenance of appropriate controls to prevent and detect fraud.

We confirm, to the best of our knowledge and belief, the following representations:

1. All accounting records and relevant information have been made available to you for the purpose of your audit and all the transactions undertaken by the charitable company have been properly reflected and recorded in the accounting records and the financial statements. All other records, including minutes of all management and trustees' meetings, have been made available to you. All other information provided to you upon request is complete and accurate and no restrictions have been placed on your access to persons within the charity from whom you have requested information.
2. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
3. There are no known actual or possible litigation and claims, the effects of which should be considered when preparing the financial statements, to be disclosed in accordance with the requirements of accounting standards.


4. The financial statements are free of material misstatements, including omissions. The uncorrected misstatements identified during the audit are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of these items is set out at the foot of this letter of representation together with our reasons for not correcting them.
5. There has been no fraud (actual, alleged or suspected) involving management, or employees who have a significant role in internal control, or others that could have a material effect on the financial statements.
6. No information has been provided to us in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
7. Based on our assessment there is no risk that the financial statements may be materially misstated as a result of fraud.
8. There are no laws or regulations that provide a legal framework within which the charitable company conducts its business and which could affect the financial statements.
9. The charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
10. The information provided to you regarding the identity of the charitable company's related parties and related party relationships, transactions and balances is correct and complete.
11. There are no transactions or balances with related parties that require disclosure in the financial statements.
12. The charitable company has had at no time during the year any arrangement, transaction or agreement to provide credit facilities (including loans, quasi-loans or credit transactions) for a trustee, nor to guarantee or provide security for such matters, except as disclosed in the financial statements.
13. No trustee had a material interest in any transactions undertaken by, or on behalf of, the charitable company during the year except as disclosed in the financial statements.
14. Having considered our expectations and intentions for the twelve months following the date of this letter and the availability of working capital, the charity, in our opinion, is a going concern.
15. The charity has no liabilities, contingent liabilities or financial commitments (including capital expenditure authorised or contracted and guarantees or security given to third parties) other than those disclosed or included in the financial statements.
16. There has been no event since the balance sheet date that requires disclosure or that would materially affect the amounts included in the financial statements have been disclosed or adjusted in the financial statements.




17. We confirm the following specific representations made to us during the course of your audit, relating to
- (a) there are no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements;
 - (b) the charitable company has satisfactory title to all assets and there are no liens and encumbrances on the charitable company's assets except for those disclosed in the financial statements;
 - (c) there is no need to adjust the accounts as detailed in Appendix 1, as there are immaterial.
18. We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that:
- so far as each trustee is aware, there is no relevant audit information of which you as auditors are unaware: and
 - each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that you are aware of that information.

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience and, where appropriate, of inspection and supporting documents sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Yours faithfully


Darren Johns (Jan 16, 2025 11:56 GMT)

Trustee


Paul Gibbon (Jan 16, 2025 12:45 GMT)

Trustee

Company registration no. 01411417 (England and Wales)
Charity registration no. 277324 (England and Wales)

Registered office as above.



Appendix 1

Unadjusted misstatements	SOFA (£)	Balance sheet (£)
		36,668
Balance Sheet only - Grossing up of rates		(36,668)
		(48,021)
Increase expenditure - Impairment of Construction in Progress fees relating to surveys and utility assessments	(48,021)	
Estimated maximum potential write down in net book value of original astro turf to nil, as new pitch capitalised in the year	(40,189)	(40,189)
Potential net impact – reduce surplus	(88,210)	



Shrewsbury House School Trust Limited

Audit plan for the year ended 31st August 2024

Date of issue: 4 November 2024

Alliotts LLP

Guildford - 3 London Square, Cross Lanes, Guildford, Surrey, GU1 1UJ

London - Manfield House, 1 Southampton Street, London WC2R 0LR

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2. Introduction

I am writing to confirm the arrangements for the work on the audit of the financial statements for the year ended 31st August 2024 for the Shrewsbury House School Trust Limited. This report forms a key part of our communication strategy with you, a strategy which is designed to promote effective two-way communication throughout the audit process with those charged with governance (the Trustees).

It summarises the planned audit strategy for the year ended 31st August 2024, comprising materiality, key audit risks, and the planned approach together with the audit timetable. Additionally, this document sets out the confirmations, information and schedules required from you for us to complete this audit.

This report has been prepared based on our understanding at the time of its issuance. We will communicate to you any subsequent changes we identify as being necessary to the preliminary strategy set out in this document.

In the meantime, if you would like to discuss any aspects of the audit, please do not hesitate to contact me.

Stephen Meredith
Audit Partner

This report has been prepared solely for the use of the Trust and should not be shown to any other person without our express permission in writing. In preparing this report we do not accept or assume responsibility for any other purpose or to any other person. For more information on our responsibilities and Trustees' responsibilities please see the appendices.

3. Your team



Stephen Meredith
Partner

stephen.meredith@alliotts.com
[View Steve's Profile](#)



Samantha Merchant
Director

samantha.merchant@alliotts.com
[View Samantha's Profile](#)



Amy Denman
Senior

amy.denman@alliotts.com
[View Amy's Profile](#)

4. Audit scope

Our primary responsibility as your auditor is to express an opinion as to whether the financial statements of the charitable company show a true and fair view and comply with the Financial Reporting Standard (FRS) 102, Charities Act 2011 and the Companies Act 2006. In order to do so, our audit will be conducted in accordance with the International Standards on Auditing (UK).

Our audit responsibilities and the objectives, procedures and limitations of the audit are set out in our engagement letter. Details of other relevant reporting matters are given in section 6 of this report.

As part of our audit we have a responsibility to express an opinion on the financial statements of Shrewsbury House School Trust Limited only.

5. Reporting

We will provide a 'management letter' upon the conclusion of our audit works to communicate our findings, which will include:

- A summary of significant findings and other matters;
- A summary of both the unadjusted and the adjusted errors identified;
- Conclusions on the significant audit risks identified at the planning stage;
- Commentary on the implementation of previous recommendations; and
- Recommendations to improve the control systems and reduce business risks where identified.

6. Materiality

Materiality is defined as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. Materiality is an area of judgement and therefore subjective. Under International Standards on Auditing (UK), materiality must be considered not only at an overall financial statements level but also in relation to classes of transactions, individual account balances and disclosures.

Triviality is defined as the magnitude of misstatement in the financial statements which is unlikely to impact on the economic decisions of a reasonably knowledgeable person. All errors above triviality are reported to the management; errors below are not. Triviality is set based on the materiality value set.

Materiality and triviality are continually re-assessed throughout our audit. At the date of this letter, based on the financials received to date, we have set the values as follows:

Materiality	Triviality
£221,800	£11,090

7. Audit risks

Our audit strategy is built on a risk-based approach, so that audit work is focused on the areas of the financial statements where the risk of material misstatement is assessed to be higher.

We have discussed the changes to the business, systems and controls in the year with management, and obtained their view of potential business risk in order to update our understanding of the company's activities and to determine which risks impact the financial statements. We will continue to update this assessment throughout the audit.

We have assessed the following key risk areas as set out over the following slides. These are matters assessed as most likely to cause a material misstatement in the financial statements or areas we anticipate being of most interest to the Trustees, and include those that will have the greatest effect on audit strategy, the allocation of audit resources and the amount of audit focus by the engagement team.

Issue	Risk level	Description	Planned response
Revenue recognition	Significant	Revenue recognition is always considered a significant risk, as dictated by auditing standards. There is a risk that income has not been accounted for correctly or cut-off errors as a result of the way fees are recorded.	Review systems and controls in this area. Review fees recognised for a sample of students enrolled. Review the cashflow position, forecasts and minutes of meetings.
Fraud and error due to management override	Significant	Management are always considered in a position to override systems and controls in place so there is a risk that controls and policies could be overridden by management resulting in misstatements or other errors in the financial statements.	Review of evidence on controls in place. Review of journals. Review of expenditure authorisation. Discuss any instances of fraud occurring in the year. Review estimates for indications of bias.

Issue	Risk level	Description	Planned response
		There is also a risk that estimates included by management are biased resulting in a misstatement.	
Related parties and transactions	Medium	Related parties can be difficult to identify and could easily be missed from disclosures which present the risk that related party transactions are not correctly disclosed in the financial statements.	<p>Request a list of all related parties from the Trustees.</p> <p>Use the list when completing audit test to confirm no further related party transactions.</p> <p>Consider using a lower performance materiality in this area.</p> <p>Review systems and controls in this area.</p>
Advance fees	Medium	The Trust receives fees in advance for pupils joining the schools so there is a risk that fees in advance have not been correctly recognised as a liability in the accounts.	<p>Review advanced fees and test that new funds held in advance are not paid by companies and ensure they are accounted for correctly.</p> <p>Review disclosures to ensure this is correct.</p>
Reliance on key members of staff	Low	<p>The Trust relies on a limited number of staff to manage the finance function so there is a risk that segregation of duties could be compromised.</p> <p>There is also a risk that knowledge could be lost if a staff member leaves at short notice.</p>	<p>Discuss any issues with management.</p> <p>Review systems and controls in place.</p>
Going Concern	Medium	Whilst the Trust has made a surplus this year and has had an increase in cash, the Trust has a large	Review and scrutinise the terms of the bank loan and cashflow forecasts to ensure the Trust has

Issue	Risk level	Description	Planned response
		<p>bank loan. In addition, changes in government legislation could result in a fall in student numbers.</p> <p>Risk that pupil numbers may be reduced and the resulting impact on income and the Trust's cashflow which could affect the use of the Going Concern basis.</p>	<p>sufficient funds to continue trading for a further 12 months.</p>
Going concern (VAT)	Medium	<p>Due to VAT being added to school fees from January 2025, the Trust could potentially see a fall in pupil numbers where parents are no longer able or willing to pay. Therefore, this poses a risk that the Trust may not be able to continue as a going concern.</p> <p>Further to this, the government announced that HMRC will be inspecting schools to ensure that VAT has been applied in line with the legislation on all fees, including advanced fees, made after 29th July 2024 for terms starting on or after 1st January 2025.</p>	<p>Review how the school plan to deal with VAT, and whether the full amount will be passed on to the parents to pay or whether the school will take on some of the burden.</p> <p>Review the advanced fee scheme and terms communicated with parents to ensure there was a disclaimer that any advanced fees for terms after 1st January 2025 could have VAT applied.</p> <p>Review budgets and forecasts in detail looking closely at forecasted pupil numbers for the next year.</p>
Fixed asset valuations	Medium	<p>The Trust has a large number of fixed assets, mainly consisting of land and buildings and so there is a risk that the land and buildings are valued incorrectly in the accounts.</p>	<p>Review the estimated useful life of the buildings to ensure that it is appropriate.</p> <p>Physically review the fixed assets for signs of impairment.</p> <p>Confirm ownership of assets where necessary.</p>

8. Issues raised in previous audits

Issue	Description	Planned response
<p>Fixed asset depreciation It was noted during fixed asset testing that there were some fixed asset property improvements that were being depreciated over 18 years. This was not in line with the stated accounting policy of the School for assets in this category of 15 years.</p>	<p>It was recommended that all assets are depreciated in line with the accounting policy, or that the policy is updated if it is deemed to be inappropriate.</p> <p>Whilst recognising that this was a trivial misstatement in the year, over the life of an asset this could produce a material error.</p>	<p>Ensure this has been rectified during the current years fixed asset testing.</p>

9. Other relevant reporting matters

9.1. Fraud

Whilst the Trustees have ultimate responsibility for prevention and detection of fraud, we are required to obtain reasonable assurance that the financial statements are free from material misstatement, including those arising as a result of fraud. We will consider the susceptibility of the entity to fraud, taking account of the business and control environment established and maintained by the Trustees, as well as the nature of transactions, assets and liabilities recorded in the accounting records.

From discussions with management and knowledge of the systems and controls in place, the appropriate safeguards appear to be in place to mitigate the risk of a material fraud occurring that would not be identified. We understand that there have been no actual or suspected instances of fraud occurring during the year and management believe that due to the controls in place the risk of fraud is negligible.

9.2. Going concern

The responsibility for the going concern assessment of a company rests with those charged with governance (the Trustees). Our responsibilities are to obtain sufficient appropriate audit evidence regarding, and conclude on, the appropriateness of management's use of the going concern basis of accounting in the preparation of the financial statements, and to conclude, based on the audit evidence obtained, whether a material uncertainty exists about the entity's ability to continue as a going concern.

Our audit procedures in respect of this matter included carrying out risk assessment procedures, obtaining and evaluating management's forecasts and other supporting evidence, and considering the implications for the audit report.

9.3. Accounting policies

We will report to you on significant qualitative aspects of your chosen accounting policies. We will consider the consistency and application of the policies and we will report to you where accounting policies are inconsistent with the Financial Reporting Standard (FRS) 102, Charities Act 2011 and Companies Act 2006.

9. Other relevant reporting matters (continued)

9.4. Laws and regulations

It is the responsibility of the Trustees to ensure that the entity complies with laws and regulations and to establish procedures to prevent and detect non-compliance. We are required to reasonable assurance that the financial statements are free from material misstatement due to non-compliance with laws and regulations.

We will consider compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. We will make enquiries of management, review correspondence with the relevant authorities and carry out a review of the disclosures in the financial statements against statutory required.

Other laws and regulations may also have a material effect on the financial statements. We will make enquiries of management and review correspondence with the relevant authorities to identify matters that may give rise to fines or penalties.

9.5. Other information, including the Trustees' Report

As part of our audit, we will report to you whether, in our opinion, the information given in the Trustee's Report is consistent with the financial statements and our knowledge gained during the course of the audit.

10. Related parties

We are required as auditors to ensure that transactions and balances between the Trust and related parties are disclosed appropriately. To do so we are required to communicate with management and those parties who can exercise significant influence over the entity, those related parties confirmed in the past by them and confirm there are no further parties, known or suspected, which need to be declared to us for consideration.

Potential related parties are:

- An individual or company who has significant influence or control over the entity and any of their close family.
- By extension, if that party identified in turn has significant control or influence over another entity, that entity is also a related party

The following related parties have been disclosed to us in the past. In confirming this letter, you are confirming that the below list has been communicated to management and those parties who can exercise significant influence over the entity and have confirmed with them that this listing is complete, or that you have otherwise notified the Alliotts team of amendments to be incorporated:

Related Party	Nature of Relationship
Trustees as appointed	No transactions or balances.
Key management team of the Trust	No transactions or balances.
The Rowans	School, part of the Trust.
Shrewsbury House Pre-Preparatory School	School, part of the Trust.
Shrewsbury House Preparatory School	School, part of the Trust.

11. What we require from management

We have separately communicated to you a detailed listing of the deliverables we require prior to the audit commencement date. These requirements of management will be further updated as the audit progresses.

12. Timetable

Our key timings in respect of the audit are as follows:

Milestone	Date
Initial deliverables due	4 th November 2024
Audit commencement	4 th November 2024
Finance Committee (draft accounts)	20 th November 2024
Planned signing	2 nd December 2024
Filing at Companies House	31 st May 2025

13. Fees

Alliotts operate a strict “no surprises” fees policy and will always agree fees in advance with you wherever practical. We view our fee quotes as a fixed commitment to you, provided:

- No major changes take place in either your business or the relevant environment which affect the scope of your audit;
- Systems and controls within your business operate effectively;
- The detailed listing of the deliverables referred to in section 8 is provided prior to audit commencement; and
- Subsequent audit queries and requests are addressed in a timely manner;

Our agreed fees (excluding VAT and disbursements), where the specifics or what each entail is as laid out in the engagement letter, are as follows:

Service	2024 fee	2023 fee
Audit	£16,260	£15,340
Disbursements (bank charges and land registry)	£200	£210

14. Governance and quality control

14.1. Quality Reviews

Independent quality reviews are carried out on a rotational basis. The reviews are undertaken by external consultants not connected with the audit. The inspection includes testing of the effectiveness and quality of our audits and a continuous improvement programme exists to ensure that standards are maintained and improved.

14.2. Personal Independence

All Alliotts personnel must adhere to strict regulatory, professional and internal independence requirements related to investments or business relationships with clients. All partners and staff must annually certify their compliance with these personal independence rules.

Alliotts LLP is authorised by the Institute of Chartered Accountants for England and Wales ('ICAEW') to carry out statutory audits. Members of this Institute and other Accounting Bodies are bound by their relevant Ethical Code, which covers, inter alia, objectivity, independence, confidentiality and integrity.

Stephen Meredith is a member of the ICAEW and is required to maintain relevant Continuing Professional Development via training courses and seminars and, as an audit partner, must be a Responsible Individual as defined by Audit Regulations.

In addition, Alliotts has internal requirements that must be met by all partners undertaking audit work. These include hot and cold reviews of working files for selected clients. These are in addition to external reviews carried out, where appropriate, by the Quality Assurance Department of the ICAEW.

Partners and staff (including family members) of Alliotts are forbidden to invest in any client that is an audit client of Alliotts.

14.3. Auditor Independence

In accordance with International Standard on Auditing (UK) 260 "Communication of audit matters with those charged with governance", the following are details of all the relationships between Alliotts and its related entities and Shrewsbury House School Trust Limited and its related entities that may reasonably be thought to bear on Alliotts' independence and the objectivity of the audit engagement partner, Stephen Meredith and the audit staff and the related safeguards that are in place:

14. Governance and quality control (continued)

14.4. Non-audit services provided by Alliotts and its related entities to the client:

Service	Description	Safeguard
Consultancy	Alliotts LLP may provide additional consultancy support to Shrewsbury House School Trust Limited on occasions.	Any consultancy work will be provided by a team separate from the audit team.

14. Governance and quality control (continued)

14.5. Outstanding fees:

Currently Shrewsbury House School Trust Limited has no fees owed to Alliotts.

14.6. Non-beneficial trustee shareholdings

There is no such relationship between any employees of Alliotts and Shrewsbury House School Trust Limited.

14.7. Long association with an audit client:

Stephen Meredith, the audit partner, has acted as audit partner for the trust for the last 2 years, which we do not believe leads to a threat to his objectivity and independence. Alliotts policy is that after an appropriate period of time, an independent review process is conducted in order to mitigate this risk. In accordance with this, no such review is required at this time.


In our professional judgement, Alliotts is independent within the meaning of regulatory and professional requirements and the objectivity of the partner, Stephen Meredith and the audit staff is not impaired.

This confirmation has been prepared for the sole use of Shrewsbury House School Trust Limited. It must not be disclosed to a third party, or quoted or referred to, without Alliotts' written consent. No responsibility is assumed by Alliotts to any other person. We require you to confirm in writing you agree the safeguards as stated above are sufficient.

15. Audit confirmations required from Trustees

On behalf of the board, I confirm the following matters:

1. Angus Harper, Director of Finance and Operations is regarded as informed management. Informed management is defined as where there is a member of management (or senior employee) of the audited entity who has authority and capability to make independent management judgements and decisions in relation to non-audit services, based on information provided by the audit team.
2. There have been no changes to the organisation's structure or operations which we need to consider as part of our annual anti-money laundering review;
3. We require no further safeguards to be put in place with respect to ethical matters;
4. We agree that the laws and regulations you have identified are the only such laws and regulations whereby non-compliance could lead to a material misstatement in the financial statements;
5. There have been no breaches of any laws and regulations significant to the company during the reporting period;
6. There have no instances of actual or suspected fraud significant to the company during or after the reporting period;
7. There are systems and controls in place which management believe reduces the risk of undetected fraud to a negligible level;
8. There are no on-going or potential legal proceedings in respect of matters arising during or after the reporting period that have not been communicated to you;
9. There are no capital commitments at the reporting date;
10. The list of related parties in section 8 is complete and accurate; and
11. There have been no events after the reporting date that would warrant adjustment or disclosure in the financial statements;


Darren Johns (Jan 16, 2025 11:56 GMT)

Mr D Johns
Chair
Confirmed and accepted on behalf of Shrewsbury House School Trust Limited

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Alliotts LLP is a UK limited liability partnership registered in England and Wales under company number OC430772. A list of members names is available at our registered office: Manfield House, 1 Southampton Street, London, WC2R 0LR. Alliotts LLP is part of the Shaw Gibbs group.

Alliotts LLP is registered to carry on audit work in the UK, regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales.

Know Your Client (KYC) Review for an Entity

You have been asked to review this form as part of our standard regulatory client engagement process. Please confirm this information is complete and accurate. If necessary, please use the updates required section below.

Client name: Shrewsbury House School Trust Ltd	
Client reference: SB007/CCH ID: 1430651	Date of review: 10/01/2025
Full trading address:	107 Ditton Road, Surbiton, Surrey KT6 6RL
Business telephone number:	02083993066
Registered office (if different):	As above
Services provided by Alliotts:	Audit
List the names of those who control/manage the business/entity (e.g. directors, partners, trustees etc.): <i>If changes ID verification required.</i>	<p><u>Trustees</u></p> <p>Darren Johns (Chair) Sarah Cunnane (Appointed 18.03.24) Paul Gibbon Shaman Kapoor Louis Victor Ralph Laville Ian Muir Philippa Richards David Sanders Alexander Tate (Appointed 18.03.24) Caroline Thorneycroft Rozanne White Joanna Le Grice (Resigned 05.12.23) Helen Lowe (Resigned 17.06.24)</p> <p><u>Senior management</u></p> <p>Mrs JM Hubbard (Executive head) Mr J Akhurst (Head of Shrewsbury House pre-prep) Ms E Spratt (Head of The Rowans School) Mr J Albert (Senior Deputy Head) Mr T Eaves (Deputy Head Pastoral) Mrs J Hand (Director of Communications & Compliance) Mr A Harper (Director of Finance & Operations, Secretary to the governors) Mr D McSherry (Deputy Head Academic)</p>
List the names of those who own the business/entity or any other beneficial owners: <i>If changes ID verification required.</i>	None
Does the Beneficial Owner information agree to the Person with Significant Control (PSC) at Companies House? <i>(Include a screen shot as evidence)</i>	<p>Statement ACTIVE</p> <p>The company knows or has reasonable cause to believe that there is no registrable person or registrable relevant legal entity in relation to the company</p> <p style="text-align: right;">Notified on 27 February 2017</p>
List other individuals exercising significant influence over the business/entity:	None
What is the nature of the entity's business/activities?	Provision of independent education for children of ages 3-13 across three schools

Has there been a change in the business/activities? If yes please provide details:	No
Key sources of income and capital:	School fees
Geographical connections (group companies, branches, major customers, or suppliers):	None
Other relevant information (e.g. past financial difficulties, regulatory issues):	None
Updates required:	
I confirm that the above information is correct and/or I have provided updated information.	
Signature:  <small>Darren Johns (Jan 16, 2025 11:56 GMT)</small>	On behalf of: Shrewsbury House School Trust Ltd
For Alliotts internal use only	
Next KYC review date: <input type="text"/> Click or tap to enter a date. <i>Not more than 1 year from date of this form</i>	
Reviewed and any changes actioned by	
Signature: 	











Shrewsbury House School Trust Ltd - 2024 Accounts Signing


Final Audit Report

2025-01-17

Created:	2025-01-10
By:	Alliotts Guildford Support (Guildfordsupport@alliotts.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAA4RqsT8-l-2aDVgtfo5YVR1dX4brq-E3O

"Shrewsbury House School Trust Ltd - 2024 Accounts Signing" History

-  Document created by Alliotts Guildford Support (Guildfordsupport@alliotts.com)
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 Agreement completed.

2025-01-17 - 14:56:02 GMT

SHREWSBURY HOUSE SCHOOL TRUST LIMITED

England & Wales - Charity number 277324

Accounts

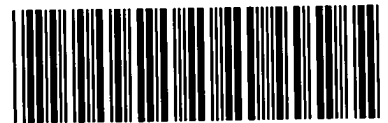
SHREWSBURY HOUSE SCHOOL TRUST LIMITED

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023

Registered Company Number: 01411417
Registered Charity Number: 277324

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COMPANIES HOUSE

SHREWSBURY HOUSE SCHOOL TRUST LIMITED

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees, who are also the Directors of the Company for the purposes of company law, present their annual report, incorporating the strategic report and financial statements for the year ended 31 August 2023. The report covers the activities of Shrewsbury House Preparatory School, Shrewsbury House Pre-Preparatory School and The Rowans School. The Trustees confirm that the financial statements comply with current statutory requirements, those of the governing documents and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' 2019 – Second edition.

REFERENCE AND ADMINISTRATIVE INFORMATION

Shrewsbury House School Trust Limited (the Trust) is a registered charity (number 277324). The legal status of the charity is a company limited by guarantee, without share capital, company number 01411417. The liability of each of the members of the company is limited to an amount not exceeding £5.

The Registered Office and principal address of the Company is:

107 Ditton Road
Surbiton
Surrey
KT6 6RL
United Kingdom

Trustees

The Trustees, who are also all members, have held office from 1 September 2022 to the date of this report, unless otherwise stated are as shown below:

D. Johns	Chairman
A.L. Lee	retired 21/06/2023
M.A.K. Claeys	retired 06/12/2022
S. Clarke	retired 06/12/2022
P.D. Gibbon	
S. Kapoor	appointed 21/06/2023
V. Laville	
J. Le Grice	retired 05/12/2023
H.A. Lowe	
I.S. Muir	
P.J. Richards	appointed 21/06/2023
D. Sanders	
C. Thorneycroft	
R. White	appointed 06/12/2022

Key Management Personnel

Executive Head of Shrewsbury House School Trust, Head of Shrewsbury House School	Mrs J.M. Hubbard
Head of Shrewsbury House Pre-Preparatory School	Mr J. Akhurst
Head of The Rowans School	Ms E. Spratt
Director of Finance and Operations, Secretary to the Governors	Mr R.A. Harper
Senior Deputy Head	Mr J. Albert
Director of Communications and Compliance	Mrs J. Hand

SHREWSBURY HOUSE SCHOOL TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

Professional Advisers

Bankers

National Westminster Bank plc
5 Market Place
Kingston upon Thames
Surrey
KT1 1JX

Lloyds TSB Bank plc
83 High Street
Walton on Thames
Surrey
KT12 1DU

Auditors

Alliotts LLP
Friary Court
13-21 High Street Guildford
Surrey
GU1 3DL

Lawyers

Veale Wasbrough Vizards
Orchard Court
Orchard Lane
Bristol
BS1 5WS

Insurance Brokers

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

Websites

Shrewsbury House School
Shrewsbury House Pre-Preparatory School
The Rowans School

www.shrewsburyhouse.net
www.shrewsburyhousepreprep.net
www.rowans.org.uk

STRATEGIC REPORT

AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

The main object of the Trust, as set out in its Articles of Association, is to promote and provide for the advancement of education, including the provision of financial support to those who cannot afford to pay tuition fees. It also provides for and promotes the use of its facilities to develop education and recreation for the local community as well as to support other educational charities and local state schools.

To achieve this, the Trust runs three independent fee-paying day schools which seek to provide the best possible learning environment. These are Shrewsbury House Pre-Preparatory School and The Rowans School for boys and girls aged between 3 and 7, and Shrewsbury House School for boys aged between 7 and 13. For every child, the Trust aims to provide both an academic and a broad education. This is intended to draw out pupils' abilities and academic potential, awaken and develop wider interests in life and motivate them for a successful and happy future. In particular, we aim to live our schools' values and develop positive learning behaviours.

The main objective of the Trustees is to ensure that all pupils are educated to a consistently high standard, which is a key element of the Trust's ethos and historic traditions. This is achieved by employing high quality, committed teachers and relevant support staff to facilitate the teaching and learning experience. The use of technology is a key enabler in delivering these results.

The principal activity of the Trust continues to be the provision of day schools for children aged between 3 and 13 years' old. In the year under review, the Trust provided education for 549 pupils. In determining the Trust's objectives and planning its activities, careful consideration continues to be given to the Charity Commission's general guidance on public benefit. The Trust clearly aims to:

- Offer financial support through bursaries to those pupils who would thrive on the broad education opportunities offered by the Trust, but whose parents are unable to afford the fees. In addition, we look for senior schools who would be prepared to continue financial support;
- Play a part in supporting and assisting local state schools in providing a broad education for their students;
- Support local and overseas charities through fundraising activities; and
- Play a part in the local community, be aware of the needs of our neighbours, and to offer facilities and support where appropriate.

The Trust is committed to working with the community and seeks to increase pupil numbers travelling to school by minibus, coach or bicycle to minimise the impact on local traffic. The sports facility at Shrewsbury House Sports Ground and also the swimming pool, sports hall, music rooms and theatre at 107 Ditton Road are available to the local community.

REVIEW OF ACTIVITIES AND PERFORMANCE FOR THE YEAR

The three schools of the Trust showed strong performances through the year across the curriculum. Pupils made strong progress and attained excellent results in all age groups.

We were delighted to formally open the Shrewsbury House Sports Ground at the start of the academic year.

The Governors provided support and guidance to the schools throughout the year, particularly in connection with large-scale projects and strategic direction. Opportunities for visits by the Governors to the schools have been increased, for Governors to see the schools in action as well as to have termly dialogue with staff.

Shrewsbury House School

This year saw a record number of events in all areas: competitions, fixtures, senior school engagements and calendar events for both pupils and parents. The school had the highest pupil numbers ever and the strongest set of scholarship results with pupils achieving 22 awards to their chosen senior schools, across academic, sports, art, drama and music.

We are very proud of all the boys for their diligence through the scholarship process. They have achieved 100% success at entrance on scholarship.

Improvements to the premises, including new playground areas, refurbishment of classroom areas, new lockers and continued investment in IT hardware have provided the pupils with ever increasing opportunities to develop curriculum strengths as well as their wellbeing.

We have introduced 'The Shrewsbury House Way', a positive guide to behaviour expectations based on our values system, which has been very well received by all our community and the School Council had an active role in creating it.

The Discovery Programme and Seminar Series for Years 7 and 8 has proved highly successful. These lessons go beyond the regular curriculum and appeal to the curiosity of the boys. Each option encourages the pupils to ask questions, encourage lively discussion about topical issues and the world around them. It also allows them to make choices, taking ownership of their learning, nurturing the variety of interests and talents of our pupils and building their confidence.

It has been a very busy period for engagement with our senior schools, both through visits and also with attendance at their events. These visits have served to reinforce strong relationships and we work closely with both feeder and destination schools to support the boys' educational journey.

SHS has supported several charities over the course of the year with the main charity chosen by pupils being The Change Foundation Charity, an award-winning charity that uses sport to change the lives of marginalised young people. Through pupil-focused fund raising and initiatives, the Shrewsbury House Association made significant donations to improve the lives of others.

Shrewsbury House Pre-Preparatory School

It has been a year to look back on with so much pride, as our children have had the most wonderful school experience. Year 2 completed their time at SHPPS having achieved so much, all moving on to their next school of choice.

The children have all enjoyed a vibrant curriculum including many trips and outings to further embed their in-class learning. Our School TRACK values have been central to the children's development at SHPPS, helping them become confident, resilient learners, eager to give their best. The children have excelled in competitions and assessments, with Year 2 winning a local Maths Competition, our Nursery and Reception groups taking prizes in a community Art project and all of the Year 1 and 2 children achieving Distinction or Merit in their LAMDA exams.

The School has been granted permission from the DfE to expand its age-range to 2-7, creating an exciting opportunity to bring some younger children into the school and develop our Nursery provision.

Whole community involvement has been incredibly strong, with countless activities and events for the whole school and several notable ones for the local community. Our charitable involvement has included the support of a Home School Sports initiative, where a large group have used our field free of charge, twice a week and a free weekly community toddler group. We have actively raised funds and supported charities including: Macmillan Cancer Support, Ocean Stars Trust Sri Lanka and Auditory Verbal UK while also fully supporting two families from the Ukraine.

The Rowans School

The School has had a busy and productive year.

LAMDA results were, once again, extremely strong with 50% of Year 1 achieving Distinction and 79% of Year 2 gaining Distinction.

We have retained our National Online Safety accredited school status and work with parents, staff and children to educate our community about internet safety. We have also retained our Gold Travel Award from TfL and our Junior Travel Ambassadors have worked with parents and the local community to promote safe and sustainable travel throughout the year.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

We have an accreditation with the British Council International Schools Award in recognition of our very strong international ethos and programme that is woven throughout our curriculum. We have also continued working on our application for an Artsmark award. Artsmark is the only creative quality standard for schools and education settings, accredited by Arts Council England.

We remain actively reflective over our curriculum, taking on board feedback from our recent Independent School Inspectorate inspection and current educational research. Recognising the importance of values, mental health awareness and life skills are all key factors in this area, and The Rowans School has much to showcase in regard to these.

This year the School has supported Make a Wish Foundation and WarChild through various whole-school fundraising initiatives.

FUNDRAISING

All fundraising activity across the Trust continues to be managed in an open and transparent fashion with the clear objective of being respectful, responsible and accountable so that potential and existing supporters of our work have complete confidence in their giving to the Trust. There were no complaints received by the Trust during the reporting period about its fundraising practices.

We are grateful to parents who donated towards developing the infrastructure of the schools and also to the planting around the new pavilion at Shrewsbury House Sports Ground, an important contribution to the area's biodiversity.

FINANCIAL RESULTS AND RESERVES POLICY

Shrewsbury House School and The Rowans School continue to see strong pupil numbers. Shrewsbury House Pre-Preparatory School is recovering from the high level of withdrawals caused by COVID-19, but more slowly.

Net income of the Trust for the year amounted to £993,249 (2022: £624,033), after an unrealised investment gain of £327,668.

At the end of July 2023, in accordance with the asset purchase agreement, the Trust paid deferred consideration of £482,000 (2022: £482,000) to the Corporation of King's College School for the purchase of The Rowans School. This was the final payment.

The Board of Governors continues to plan for surplus net income every year, which is added to reserves to enable reinvestment in the future to meet the objectives of the Trust's capital development plans. The funds at the year-end totalled £12,677,651 (2022: £11,684,402), which included £12,351,158 of unrestricted funds (2022: £11,668,763) and £326,493 of restricted funds (2022: £15,639). These include funds for the all-weather sports surface at Shrewsbury House School and other major projects.

The Board of Governors continues to monitor the financial risks affecting the Trust to ensure that it continues to meet its charitable objectives, remains financially sustainable and a going concern. Its long-term cash flow is being stress-tested and reviewed periodically. The Board does not see any indication that the Trust is unable to meet its future obligations as they fall due, but recognises that we continue to need bank loans to fund our existing facilities and servicing the obligations as a result of the acquisition of The Rowans School and its site in Wimbledon.

PUBLIC BENEFIT

The Trust has adopted a multi-faceted approach to public benefit as is reflected in its Articles of Association, providing education to pupils who would otherwise be educated at public expense. The Trust is committed to providing bursaries to those families whose children, whilst being of the ability and personality to thrive at Shrewsbury House School, may not be able to afford to send their children here. Fundamental to the bursary policy, enshrined in the Trust's ethos, is that the child is placed first and the parents' means second. The approach to bursaries covers new and existing pupils and has been used to provide financial assistance in the event of unforeseen financial difficulties faced by existing parents. Bursaries are normally awarded each academic year and are means-tested. Further details are included in the 'About us' section of Shrewsbury House School's website and interested parents should contact the School for additional information. Currently 7 (2022: 6) pupils hold means-tested bursaries, varying in value from 20% to 100% of annual fees, of which 6 are life-changing at 80% or above. In total terms, concessions inclusive of staff fee discounts have been accorded to 20 (2022: 18) pupils at a cost to the Trust of £185,303 (2022: £155,691).

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

The Trust aims to use school facilities for education and recreation for the local community. The use of school facilities increased this year and the Trust has continued to support its wide range of community and commercial clients. The Trust has maintained its relationship with two local state schools and use of the swimming pool facility is provided free of charge, supporting around 80 children per week, with potential to widen its availability further. Our transport service provides minibus and coach use to local scout groups, supporting well over 100 children. Commercial clients use the sports facilities at each site and a local dance school is now based at schools within the Trust, supporting over 950 children each week. Shrewsbury House School's facilities in particular are used by many clubs during school holidays. New business remains a focus for members of the lettings team, who continues to forge local links with state schools and community groups.

PLANS FOR THE FUTURE

We have secured planning consent for the master plans submitted for all three sites from the Royal Borough of Kingston, the Royal Borough of Merton and Elmbridge Borough Council. However, given the continuing uncertain economic landscape, the Trustees have paused the development at 107 Ditton Road and at The Rowans School for the time being. The Trustees will continue to assess the timing of the commencement of works.

The Trust continues to invest significantly in ensuring that the IT infrastructure and hardware in all our schools is fit for purpose and creates the enabling learning environment needed to equip our pupils for a fast-changing technological world. The Trust has a robust platform for the delivery of the curriculum via distance learning should this prove necessary again.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Governors is responsible for the management of all risks faced by the Trust. Governors are supported by the Trust Executive Committee. Risks are identified, assessed and controls established to mitigate the risks identified. The Trust's Risk Register is reviewed by the Legal & Estates Committee on a termly basis and a summary tabled to the Board of Governors.

The principal risks identified by the Governors are categorised under the following headings:

- External factors including political, environmental, legal and regulatory and economic;
- Financial;
- Operational;
- Compliance;
- Human Resources; and
- Governance.

External factors

The Trust is constantly assessing the effects of the changes in political and economic factors that may affect the operation of the schools and delivery of its offering in the short, medium and longer term. The key responsibilities of the sub committees are set out under the section 'Organisation and Management'. The Finance Committee, in conjunction with the Director of Finance and Operations, is responsible for developing and stress-testing financial models, which are regularly reviewed.

There are factors outside the control of the Trust such as political uncertainty, Brexit, COVID-19 and wars in Ukraine and the Middle East. The Board of Governors, Legal & Estates Committee and the Trust Executive Committee closely monitor the potential impact of these risks. The Trust follows Government guidance with regards to restrictions and preventative measures. Comprehensive risk assessments have been developed and published on each of the schools' websites.

The major risks are that pupil numbers will fall and/or that parents will be unable to continue paying the schools' fees. Pupil numbers and outstanding fees are closely monitored. The Trust continues to look for indicators of financial hardship and offer assistance where possible.

Financial

There is a risk that pupil numbers may not be sufficient to maintain the Trust's long-term plan. The Trust mitigates this risk by producing a 10-year cash flow projection, reviewed at least termly. This is supported by bank borrowing, repayable in between 1 year and 10-years' time.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

Another key risk was the expected increase in employer contributions to the Teachers' Pension Scheme (TPS). Employer contribution rates increased from 16.48% to 23.68% from 1 September 2019, an increase of 43.7%. This had a significant impact on the Trust's 2020-21 and 2021-22 performance. There is a very strong likelihood of a further material increase in employer contributions once the actuarial valuation has been completed. This is likely to be implemented from April 2024. As a result, the Board of Governors decided that a withdrawal from the TPS was prudent. After an extensive consultation process, this took place at 31 August 2023, with the TPS replaced by a defined contribution scheme with a combined contribution and benefit rate of 18.5% from 1 September 2023.

Operational

Educational success across the curriculum demands employing committed staff with current, up-to-date teaching and learning facilities to ensure that pupils are able to progress in a learning-friendly environment. The risk of not achieving educational success is managed by partnering with parents, encouraging regular communication as the child progresses, combining attractive salaries for staff and on-going investment in the estate and infrastructure.

Compliance

The Trust's success has been built upon its reputation for the education and wellbeing of its pupils. The risk of damage to the Trust's reputation is managed through the regular implementation and monitoring of safeguarding and staff recruitment policies, pastoral support for both pupils and staff plus the active identification and resolution of health and safety issues.

The Trust also takes its compliance with General Data Protection Regulation (GDPR) and UK Data Protection Regulations very seriously. All staff are briefed in how to minimise the risk of losses or accidental release of personal data on a regular basis.

Human Resources

Recruitment and retention of high-quality staff members is a top priority for the Trust Executive Committee. The terms and conditions for teaching staff are reviewed regularly to ensure that these are in line with those of similar independent schools. A full programme of staff development is in place to ensure that staff are kept abreast of the best possible practice and they have scope to fully develop their experience whilst at the Trust.

Governance

Details of the recruitment, training, skills and structure of the Board of Governors and its sub-committees are provided under the 'Structure, Governance and Management' section.

Key controls used by the Trust to manage risk include:

- Formal agendas for all committee and Board activity;
- Detailed terms of reference for all committees;
- Comprehensive strategic planning, budgeting and management accounting information;
- Established organisational structure and lines of reporting;
- Formal written policies on all aspects of activity; and
- Vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the Trust, the Governors are satisfied that the major risks identified have been adequately mitigated where possible. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been suitably managed.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The governing document of the Trust is its Articles of Association.

Governing Body

A Board of Governors, whose members are also Directors of the Company (herein referred to as "Trustees"), governs the Trust. The Trustees meet regularly in the manner prescribed in the Articles of Association and meet as a full board at least once a term. The sub-committees (Finance, Strategy, Education and Legal & Estates) meet at least once a term.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

The normal term of office for a Governor is three years. A Governor is eligible for re-election for further terms of office. The Trustees are authorised to appoint new members provided they do not exceed the maximum of 15 prescribed by the Articles of Association. The Board of Governors aims to recruit Trustees who have a range of specialist skills, in order to maintain a strong balance of expertise. Current members include experts in education, financial management, law, banking, property and estates, risk and insurance. No Trustee has any beneficial interest in the company.

Trustee Induction and Training

All new Trustees receive an induction pack, which explains their role, the role of the Board of Governors, and details of Charity Commission and Companies House requirements. They are also given background information on previous Board decisions, Board papers and general information about the schools. The new Governor's Induction Programme includes a meeting with the Executive Head, the Designated Safeguarding Lead and the Clerk to the Governors to ensure that there is a thorough understanding of how the schools fulfil their regulatory obligations. All Governors are informed of relevant courses available to them throughout the year, including courses and conferences run by the Independent School Inspectorate, Association of Governing Bodies of Independent Schools, the Independent Association of Prep Schools, the Independent Schools' Bursars Association, the Independent Schools Council and our auditors.

Organisation and Management

The Trustees determine the general policy of the Trust, meeting each term to receive reports from the heads of each school and the chairs of the sub-committees.

The Education Committee reviews all matters relating to the delivery of the curricula within each school and policies which are entirely pupil-centred. The Legal & Estates Committee reviews a wide range of topics including estates development, health and safety, supplier and staff contractual matters, general regulatory matters, complaints and the single central register of appointments. The Finance Committee reviews the Trust's on-going financial position and examines recommendations from the other committees for development projects prior to seeking main board approval. It manages, at an executive level, the budgets of the Trust, including remuneration policy and fee levels which are approved by the main Board.

Key Management Personnel

The day-to-day running of the Trust is delegated to the Executive Head and the Director of Finance and Operations, who are supported by the Trust Executive Committee and the Governors; together this group are the key management personnel, as set out on page 1 of this document.

The Governors give of their time freely and the remuneration of the senior staff is set by the Finance Committee and kept under annual review. The Executive Head's remuneration is also reviewed annually, but by the Chairman and Deputy Chairman who submit their proposals for consideration to the full Board of Governors. The criteria used in reviewing and setting pay are:

- The nature of the role and breadth of responsibilities;
- Participation in salary surveys providing a range of relevant comparable data;
- Competitor salaries in the region where this is available; and
- Overall trends in pay.

Group Structure and Relationships

The Trust is the corporate structure through which the schools are organised and managed. There is an Executive Head, who is also the head of Shrewsbury House School in Surbiton, and two other heads, one at Shrewsbury House Pre-Preparatory School in Esher and another who manages the affairs of The Rowans School in Wimbledon.

Shrewsbury House School benefits from the support of the Shrewsbury House Association, Shrewsbury House Pre-Preparatory School from the support of Shrewsbury Pre-Preparatory Association and The Rowans School from the support of Friends of The Rowans School. These bodies are organised by representatives of the parents and raise funds to provide additional benefits to the pupils.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Shrewsbury House School Trust Limited for the purpose of Company Law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year which 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 Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that 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.

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information and to establish that the auditor is aware of that information.

ON BEHALF OF THE BOARD

The Trustees' Report incorporating the Strategic Report was approved and authorised for issue by the Board of Trustees on 5 December 2023 and signed on its behalf by:

DJ
DJ (Jan 12, 2024 10:09 GMT)

Paul Gibbon
Paul Gibbon (Jan 16, 2024 19:15 GMT)

D. Johns

P.D. Gibbon

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHREWSBURY HOUSE SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of Shrewsbury House School Trust Limited for the year ended 31 August 2023 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of the charitable company's net movement in funds, including the 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Trustees have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHREWSBURY HOUSE SCHOOL TRUST LIMITED

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees (which incorporates the strategic report and 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 by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 9, 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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to The Education (Independent School Standards) Regulations 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and 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 and Charities Act 2011, and considered other factors such as payroll tax and sales tax.

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 posting inappropriate journal entries to income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings with unusual amounts or descriptions, and postings with unusual date characteristics; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

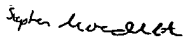
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHREWSBURY HOUSE SCHOOL TRUST LIMITED

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

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

Use of our report

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



.....
Stephen Meredith BA, FCA, DChA (Senior Statutory Auditor)
For and on behalf of Alliot's LLP, Statutory Auditors

Date: 18/01/2024
.....

Friary Court
13-21 High Street
Guildford
Surrey
GU1 3DL

SHREWSBURY HOUSE SCHOOL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023

(incorporating income and expenditure account)

	Notes	Unrestricted General Fund £	Restricted Fund £	Total 2023 £	Total 2022 £
INCOME FROM:					
Income from charitable activity					
School fees	3	9,895,704	-	9,895,704	9,597,047
Ancillary trading income	4	1,051,989	-	1,051,989	897,306
Other trading activities					
Rental and lettings income		126,070	-	126,070	111,291
Investment income					
Bank and other interest		26,225	-	26,225	3,475
Property investment income		22,530	-	22,530	
Voluntary sources					
Grants and donations	5	12,599	395,388	407,987	19,923
Other Income					
Other Income		9,092	-	9,092	16,607
Total Income		<u>11,144,209</u>	<u>395,388</u>	<u>11,539,597</u>	<u>10,645,649</u>
EXPENDITURE:					
Costs of raising funds:					
Financing costs		203,570	-	203,570	254,179
Charitable activity:					
Education		10,645,156	25,290	10,670,446	9,767,437
Total Expenditure	6	<u>10,848,726</u>	<u>25,290</u>	<u>10,874,016</u>	<u>11,021,616</u>
NET INCOME BEFORE INVESTMENT GAINS AND TRANSFERS		295,483	370,098	665,581	624,033
Net investment gain		327,668	-	327,668	-
Transfers between funds		59,244	(59,244)	-	-
NET MOVEMENT IN FUNDS		682,395	310,854	993,249	624,033
Fund balance brought forward at 1 September 2022		11,668,763	15,639	11,684,402	11,06,0369
Fund balances carried forward at 31 August 2023	15	<u>12,351,158</u>	<u>326,493</u>	<u>12,677,651</u>	<u>11,684,402</u>

The results for the year and the prior year are derived from continuing activities.

The comparative statement of financial activities is note 22.

The notes on pages 16 to 27 form part of these financial statements.

	Notes	2023 £	2022 £
Fixed assets			
Tangible fixed assets	9	16,149,228	17,601,836
Investments - properties	10	650,000	-
		<u>16,799,228</u>	<u>17,601,836</u>
Current assets			
Debtors	11	295,388	322,276
Cash at bank		2,311,663	1,810,375
		<u>2,607,051</u>	<u>2,132,651</u>
Current liabilities			
Creditors – due within one year	12	(2,204,619)	(2,726,427)
		<u>402,432</u>	<u>(593,776)</u>
Net current assets/(liabilities)		17,201,660	17,008,060
Total assets less current liabilities		<u>(4,524,009)</u>	<u>(5,323,658)</u>
Creditors – due after more than one year	13		
		<u>12,677,651</u>	<u>11,684,402</u>
Net assets			
Represented by:			
Unrestricted funds	15	12,351,158	11,668,763
Restricted funds	15	326,493	15,639
		<u>12,677,651</u>	<u>11,684,402</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 5 December 2023 and were signed below on its behalf by:

<u>DJ</u>)	
DJ (Jan 12, 2024 10:09 GMT))	
D. Johns)	
)	
<u>Paul Gibbon</u>)	Trustees
Paul Gibbon (Jan 16, 2024 19:15 GMT))	
P.D. Gibbon)	

The notes on pages 16 to 27 form part of these financial statements.

SHREWSBURY HOUSE SCHOOL TRUST LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by operating activities	17.A	1,406,755	1,249,495
Cash flows from investing activities:			
Bank interest		26,225	3,475
Property investment income		22,530	-
Purchase of tangible fixed assets		(220,245)	(3,607,097)
Sales proceeds from sale of tangible fixed assets		165	3,500
Net cash used in investing activities		(171,325)	(3,600,122)
Cash flows from financing activities:			
New borrowing		-	-
Repayments of borrowing		(734,142)	(453,616)
Net cash used in financing activities		(734,142)	(453,616)
Change in cash and cash equivalents in the reporting period		501,288	(2,804,244)
Cash and cash equivalents at the beginning of the reporting period		1,810,375	4,614,619
Cash and cash equivalents at the end of the reporting period	17.B	2,311,663	1,810,375

The notes on pages 16 to 27 form part of these financial statements.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2023

1. CHARITABLE STATUS

The Trust is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee and does not have any share capital. It was incorporated on 25 January 1979 (company number: 01411417) and registered as a charity on 20 February 1979 (charity number: 277324).

2. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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 statements are drawn up under the historical cost convention.

The functional currency of the Trust is considered to be GBP because that is the currency of the primary economic environment in which the Trust operates.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis, in particular, the carrying value of the construction in progress totalling £48,023 (2022: £4,862,685). Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees, other than those identified above, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Going concern

As highlighted in the Report of the Trustees, having assessed the Trust's financial position, the plans for the foreseeable future, the risks to which the Trust is exposed and the detailed cash projections, the Trustees are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

The following principal accounting policies have been applied:

Income

All income is recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Fees and similar income

Fees receivable and charges for services and use of the premises are accounted for in the year in which the services are provided. Fees receivable are stated after deducting bursaries, scholarships and other remissions allowed by the Trust.

Registration fees are non-refundable and are credited to income when received.

Deposits are included as a liability until refunded or, on ceasing to be refundable, are credited to income.

Advance fees are credited to income as and when the fees fall due.

Rental and investment income

Rents are stated gross and are included on an accruals basis. Interest received represents gross interest derived from cash deposits held and credit balances and is accounted for on a receivable basis.

Donations and legacies and other voluntary income

All donations, legacies and other voluntary income are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Trust is considered probable.

Donations received for the general purposes of the Trust are credited to Unrestricted Funds. Donations subject to specific wishes of the donors are credited to the relevant Restricted Funds.

Government grants

The Coronavirus Job Retention Scheme (CJRS) resulted in cash payments from government to compensate employers for part of the wages, associated national insurance contributions (NICs) and employer pension contributions of employees who were placed on furlough (that is, placed on a temporary leave of absence from working for the employer). This is accounted for in accordance with Section 24 of FRS 102 and the performance model is used to recognise these grants.

Expenditure

Expenditure is accounted for on an accruals basis where there is a legal or constructive obligation to make a payment to a third party and the amount of the obligation can be measured reliably. Charitable expenditure represents the costs of running the Trust including salaries, catering, premises and welfare costs. Costs of raising funds include financing costs. Charitable expenditure is allocated to the appropriate headings relevant to the charitable activities on a direct basis. Support costs mainly represent office administration. Irrecoverable VAT is charged to the Statement of Financial Activities as incurred. Governance costs comprise the costs of running the Trust, including strategic planning for its future development, external audit, legal advice and all the costs of complying with constitutional and statutory requirements.

Operating leases

The annual rental for operating leases is charged to the Statement of Financial Activities on a straight-line basis over the lease term.

Staff Benefits including pension costs

The Trust contributed to the following schemes:

- i. The Trust contributed to the Teachers' Pension Scheme. This is a multi-employer pension scheme and it is not possible to identify the Trust's share of the underlying assets and liabilities on a consistent and reasonable basis. Therefore, as required by FRS 102, the Trust accounted for the scheme as if it were a defined contribution scheme. The Trust's contributions, which are in accordance with the recommendations of the Government Actuary, were charged in the period in which the salaries to which they related were payable.
- ii. The Trust also operated a defined contribution scheme – Aviva pension scheme. Contributions to the plan were made in accordance with the rules of the plan and are charged to expenditure when they were payable.

Short term benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accruals basis and in accordance with FRS 102.

Funds

Restricted - where the purpose for which the funds may be used has been restricted by donors; and

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objects.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2023

Tangible Fixed Assets

All assets purchased are included at their purchase price. Assets with a cost below £200 are not capitalised.

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation has been provided on the straight-line method by reference to the anticipated useful lives of the assets concerned at the following rates:

Land	-	Not depreciated
Freehold property buildings	-	2% per annum
Property improvements	-	Up to 20 years
Motor vehicles	-	20% per annum
Plant, equipment and computers	-	20% to 25% per annum

No depreciation is charged to assets under construction.

Assets are reviewed for impairment on an annual basis and any charges are expensed to the Statement of Financial Activities.

Investments

Investments are stated at market value as at the balance sheet date, and any gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities.

Property investments are valued using professional advice and on the basis of market value as defined in the RICS Appraisal and Valuation Manual ("The Red Book"). Independent valuations of relevant property investments have been carried out at 31 August 2023.

Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and cash equivalents, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and cash equivalents is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, when applicable, are shown within current liabilities.

Debtors

Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Creditors

Creditors are recognised where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Deferred consideration

Shrewsbury House School Trust Limited has agreed to pay a deferred consideration to The Corporation of King's College Wimbledon following the acquisition of The Rowans School on 31 July 2017. The deferred consideration has been discounted to present value and is shown under Creditors.

Bank borrowings

Liabilities for borrowings which are subject to a market rate of interest are measured at the value of the amount advanced, less capital repayments.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2023

3. CHARITABLE ACTIVITY - SCHOOL FEES RECEIVABLE

	2023 £	2022 £
Gross school fees	10,081,007	9,752,738
Less: Total bursaries, grants and allowances	(185,303)	(155,691)
	<u>9,895,704</u>	<u>9,597,047</u>

4. ANCILLARY INCOME

	2023 £	2022 £
Registration fees	41,550	45,900
School fees insurance	8,570	15,307
School fees draw	11,900	16,575
Extras	716,911	560,015
Minibus charges	273,058	259,509
	<u>1,051,989</u>	<u>897,306</u>

5. INCOME FROM VOLUNTARY SOURCES

	2023 £	2022 £
Donations and grants	407,987	19,923

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff Costs £	Other £	Depreciation /Impairment £	Total 2023 £	Total 2022 £
Costs of raising funds:					
Financing costs	-	203,570	-	203,570	254,179
Charitable activity:					
Teaching	4,736,304	927,004	182,664	5,845,972	5,324,790
Premises	333,623	1,101,266	1,167,703	2,602,592	2,538,268
Welfare	-	627,686	-	627,686	494,097
Support costs – other	1,246,357	331,818	-	1,578,175	1,393,851
Support costs – governance	-	16,021	-	16,021	16,431
Total	<u>6,316,284</u>	<u>3,207,365</u>	<u>1,350,367</u>	<u>10,874,016</u>	<u>10,021,616</u>

2022 COMPARATIVES

	Staff Costs £	Other £	Depreciation £	Total 2022 £
Costs of raising funds:				
Financing costs	-	254,179	-	254,179
Charitable activity:				
Teaching	4,434,708	689,891	200,191	5,324,790
Premises	352,959	1,049,965	1,135,344	2,538,268
Welfare	-	494,097	-	494,097
Support costs – other	1,141,701	252,150	-	1,393,851
Support costs – governance	-	16,431	-	16,431
Total	<u>5,929,368</u>	<u>2,756,713</u>	<u>1,335,535</u>	<u>10,021,616</u>

Support costs include the costs borne by the Trust for the administrative functions and include Compliance, Human Resources, Facilities, Finance, Information Technology, Marketing and Minibuses.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2023

ANALYSIS OF TOTAL EXPENDITURE (Continued)

	2023 £	2022 £
GOVERNANCE COSTS		
Audit fees (excluding VAT)	15,500	16,090
Trustee expenses	521	341
	<u>16,021</u>	<u>16,431</u>
7. NET INCOME FOR THE YEAR	2023	2022
	£	£
This is stated after charging:		
- Auditors' remuneration - Audit (excluding VAT)	15,500	16,090
- Other fees (excluding VAT)	4,060	4,900
Operating leases (excluding VAT)	<u>131,477</u>	<u>139,914</u>
8. STAFF COSTS	2023	2022
	£	£
Wages and salaries	4,970,527	4,641,124
Social security costs	519,079	487,594
Other pension costs	793,193	767,368
Other staff costs	31,311	25,018
Redundancy and termination payments	2,174	8,264
	<u>6,316,284</u>	<u>5,929,368</u>
	2023	2022
	Number	Number
The average number of persons employed by the school during the year was:		
Teaching staff and teaching assistants	84	85
Support and other staff and gap students	42	45
Minibus drivers – part-time	12	15
	<u>138</u>	<u>145</u>
The number of employees who received emoluments and benefits in the following ranges were:		
£60,001 - £70,000	5	7
£70,001 - £80,000	2	3
£80,001 - £90,000	3	-
£100,001 - £110,000	1	-
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-
The school made employer's pension contributions totalling £182,605 (2022: £164,045) on behalf of the higher paid employees.		
Aggregate employee benefits of key management personnel		
- Senior management team	<u>714,477</u>	<u>885,182</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2023

9. TANGIBLE FIXED ASSETS

	Freehold Property	Leasehold Property	Freehold Property Improvements	Construction in Progress	Equipment, Computers and vehicles	Total
	£	£	£	£	£	£
Cost or Valuation						
At 1 September 2022	14,021,072	82,350	3,738,286	5,994,359	2,226,194	26,062,261
Additions	-	-	96,213	1,167	122,865	220,245
Reclassification	3,623,416	-	-	(4,070,722)	36,640	(410,666)
Disposals	-	-	-	(1,876,783)	(165)	(1,876,948)
At 31 August 2023	17,644,488	82,350	3,834,499	48,021	2,385,534	23,994,892
Depreciation						
At 1 September 2022	3,150,024	-	2,417,127	1,131,674	1,761,600	8,460,425
Charge for the year	257,143	-	165,451	-	182,664	605,258
Impairment	-	-	-	745,109	-	745,109
Reclassification	(88,334)	-	-	-	-	(88,334)
Disposals	-	-	-	(1,876,783)	(11)	(1,876,794)
At 31 August 2023	3,318,833	-	2,582,578	-	1,944,253	7,845,664
Net Book Value						
At 31 August 2023	14,325,655	82,350	1,251,921	48,021	441,281	16,149,228
At 31 August 2022	10,871,048	82,350	1,321,159	4,862,685	464,594	17,601,836

National Westminster Bank plc hold a first legal charge over the freehold property dated 19 July 1994 in respect of 107 Ditton Road, Surbiton, KT6 6RL.

Lloyds TSB Bank Plc hold a first legal charge over the freehold property dated September 2011 in respect of 22 Milbourne Lane, Esher, KT10 9EA.

Lloyds Bank plc hold a first legal charge over the freehold property dated 31 July 2017 in respect of 19 Drax Avenue, Wimbledon Common, London, SW20 0EG. Lloyds Bank plc also has a debenture dated 12 March 2021 in the form of a floating charge over all the properties of the Trust and a negative pledge.

10. INVESTMENTS

	Investment Property £	2023 Total £	Investment Property £	2022 Total £
Market Value				
At 1 September 2022	-	-	-	-
Reclassification from tangible fixed asset	322,332	322,332	-	-
Unrealised gain	327,668	327,668	-	-
At 31 August 2023	650,000	650,000	-	-
Attribution to Funds				
Unrestricted funds	650,000	650,000	-	-
Restricted funds	-	-	-	-
At 31 August 2023	650,000	650,000	-	-
Net Book Value on Reclassification				
At 1 September 2022	-	-	-	-
Reclassification from tangible fixed asset	322,332	322,332	-	-
At 31 August 2023	322,332	322,332	-	-

The net investment gain in the SOFA comprises an unrealised gain of £327,668 relating to a property held last year as a tangible fixed asset, which is now let to an unrelated party on a commercial basis.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2023

11. DEBTORS

	2023	2022
	£	£
Due within one year:		
Trade debtors	63,212	99,731
Other debtors	6,908	62,348
Prepayments and accrued income	225,268	160,197
	<u>295,388</u>	<u>322,276</u>

12. CREDITORS: Amounts falling due within one year

	2023	2022
	£	£
Bank loans (see note 13)	738,488	734,142
Deferred consideration	-	465,006
Trade creditors	220,692	364,549
Social security costs and other taxation	119,461	119,211
Other creditors	192,330	118,037
Accruals	184,541	172,752
Pupil deposits	212,887	214,287
Fees in advance	536,220	538,443
	<u>2,204,619</u>	<u>2,726,427</u>

13. CREDITORS: Amounts falling due after one year

	2023	2022
	£	£
Bank loans (see note 13)	3,552,509	4,290,997
Pupil deposits	971,500	1,032,661
	<u>4,524,009</u>	<u>5,323,658</u>

Pupil deposits are refundable when a pupil leaves the school.

Shrewsbury House School Trust Limited agreed to pay a deferred consideration to The Corporation of King's College Wimbledon following the acquisition of The Rowans School on 31 July 2017. The final £482,000 was paid on 31 July 2023. The total deferred consideration was discounted to present value at a discount rate of 4%. Last year, an amount of £465,006 was shown under Creditors falling due within one year.

14. BANK LOANS

	2023 £	2022 £
The bank loans are repayable by instalments		
Due after five years	1,550,275	1,870,347
Due within two to five years	1,429,322	1,682,162
Due within one to two years	572,912	738,488
	<hr/>	<hr/>
	3,552,509	4,290,997
Due within one year (note 11)	738,488	734,142
	<hr/>	<hr/>
	4,290,997	5,025,139
	<hr/>	<hr/>

Shrewsbury House School Trust Limited has a bank loan with NatWest Bank which was taken out in March 2004. The current rate of interest paid is Base Rate plus 1% and the loan is repayable in termly instalments until May 2024 when the loan will be fully repaid.

Shrewsbury House School Trust Limited has a Coronavirus Business Interruption Loan (CBIL) with Lloyds Bank which was drawn down on 17 May 2021. The current rate of interest paid on the loan is fixed at 3.91%. The loan is repayable in monthly instalments starting June 2022 until May 2027 when the loan will be fully repaid.

Shrewsbury House School Trust Limited has a bank loan with Lloyds Bank which was drawn down on 31 July 2017. The current rate of interest paid on the loan is fixed at 4.12%. The loan is repayable in termly instalments starting in September 2019 until July 2032 when the loan will be fully repaid.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2023

15. FUNDS

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains (Losses) £	Transfers £	Balance at 31 August 2023 £
<i>Unrestricted fund:</i>						
General fund	11,668,763	11,144,209	(10,848,726)	327,668	59,242	12,351,156
<i>Restricted funds:</i>						
Infrastructure and equipment	15,639	395,388	(25,290)	-	(59,242)	326,495
TOTAL FUNDS	11,684,402	11,539,597	(10,874,016)	327,668	-	12,677,651

2022
COMPARATIVES

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains (Losses) £	Transfers £	Balance at 31 August 2022 £
<i>Unrestricted fund:</i>						
General fund	11,055,669	10,629,470	(10,021,076)	-	4,700	11,668,763
<i>Restricted funds:</i>						
Infrastructure and equipment	4,700	16,179	(540)	-	(4,700)	15,639
TOTAL FUNDS	11,060,369	10,645,649	(10,021,616)	-	-	11,684,402

16. NET ASSETS OF THE FUNDS

	Fixed Assets £	Net Current Assets (Liabilities) £	Long-Term Liabilities £	Total £
Unrestricted fund	16,799,228	75,939	(4,524,009)	12,351,158
Restricted funds	-	326,493	-	326,493
TOTAL FUNDS	16,799,228	402,432	(4,524,009)	12,677,651
2022 COMPARATIVES				
	Fixed Assets £	Net Current Assets (Liabilities) £	Long-Term Liabilities £	Total £
Unrestricted fund	17,601,836	(609,415)	(5,323,658)	11,668,763
Restricted funds	-	15,639	-	15,639
TOTAL FUNDS	17,601,836	(593,776)	(5,323,658)	11,684,402

17. NOTES TO STATEMENT OF CASH FLOW

	2023 £	2022 £		
Reconciliation of net income to net cash flow from operating activities				
A. Net income for the reporting period (as per the Statement of Financial Activities)	993,249	624,033		
Adjustments for:				
Depreciation charges	605,259	970,942		
Impairment charges	745,108	364,593		
(Profit)/loss on disposal of fixed assets	(11)	32,137		
Bank interest	(26,225)	(3,475)		
Property investment income	(22,530)	-		
Investment gain	(327,668)	-		
Decrease (Increase) in debtors	26,888	(101,021)		
(Decrease) in creditors excluding bank loans	(587,315)	(637,714)		
Net cash provided by operating activities	<u>1,406,755</u>	<u>1,249,495</u>		
B. Analysis of cash and cash equivalents				
Cash at bank and in hand	<u>2,311,663</u>	<u>1,810,375</u>		
Total cash and cash equivalents	<u>2,311,663</u>	<u>1,810,375</u>		
C. Analysis of changes in net debt				
	Balance at 1 September 2022 £	Cash Flows £	Transfers £	Balance at 31 August 2023 £
Cash	1,810,375	501,288	-	2,311,663
Loans falling due within one year	(734,142)	183,558	(187,904)	(738,488)
Loans falling due after more than one year	(4,290,997)	550,584	187,904	(3,552,509)
TOTAL	<u>(3,214,764)</u>	<u>1,235,430</u>	<u>-</u>	<u>(1,979,334)</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2023

18. PENSION COMMITMENTS

The Trust participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £692,032 (2022: £672,862) and at the year-end £81,033 (2022: £77,750) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The Trust withdrew from the TPS at 31 August 2023, replacing it by a defined contribution scheme with a combined contribution and benefit rate of 18.5%.

The Trust also contributed to a pension scheme administered by Aviva for non-teaching staff. The charge totalled £100,973 (2022: £87,618) and at year-end £Nil (2022: £11,827) was accrued in respect of contributions to this scheme.

19. COMMITMENTS UNDER OPERATING LEASES AND CAPITAL COMMITMENTS

	Assets other than land & buildings	
	2023	2022
	£	£
Due within one year	122,347	134,990
Due between one to five years	91,468	134,990
	213,905	269,980
	213,905	269,980

Capital commitments contracted for but not provided in these accounts at 31 August 2023 were £Nil (2022: £Nil).

20. INDEMNITY INSURANCE

The Trust purchased insurance, at a cost of £980 (2022: £798) for the Trustees during the year to indemnify them against any liabilities arising as a result of negligence on the Trust's behalf.

21. RELATED PARTY TRANSACTIONS

No payments were made to Trustees during the year for reimbursement of expenses (2022: £Nil). Amounts paid directly to third parties on behalf of Trustees during the year amounted to £521 (2022: £341). These expenses consisted of a working dinner and refreshments at the Full Governing Board meeting for Trustees. An amount of £Nil (2022: £926) was billed to a company related to a Trustee for the hire of the Sports Hall. Payments made by the company were £Nil (2022: £926).

During the year, the Shrewsbury House Association donated £8,749 towards projects at Shrewsbury House School. The Shrewsbury House Pre-Preparatory Association donated £4,719 to projects at Shrewsbury House Pre-Preparatory School. The Friends of Rowans donated £11,431 towards projects at The Rowans School.

22. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted General Fund £	Restricted Fund £	Total 2022 £
INCOME FROM:				
Income from charitable activity				
School fees	3	9,597,047	-	9,597,047
Ancillary trading income	4	897,306	-	897,306
Other trading activities				
Rental and lettings income		111,291	-	111,291
Investment income				
Bank and other interest		3,475	-	3,475
Voluntary sources				
Grants and donations	5	3,744	16,179	19,923
Other Income				
Other Income		16,607	-	16,607
Total Income		10,629,470	16,179	10,645,649
EXPENDITURE:				
Costs of raising funds:				
Financing costs		254,179	-	254,179
Charitable activity:				
Education		9,766,897	540	9,767,437
Total Expenditure	6	10,021,076	540	10,021,616
NET INCOME				
Transfers between funds		4,700	(4,700)	-
NET MOVEMENT IN FUNDS				
Fund balance brought forward at 1 September 2021		11,055,669	4,700	11,060,369
Fund balances carried forward at 31 August 2022	15	11,668,763	15,639	11,684,402

SHREWSBURY HOUSE SCHOOL TRUST LIMITED

England & Wales - Charity number 277324

Accounts

SHREWSBURY HOUSE SCHOOL TRUST LIMITED

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

Registered Company Number: 01411417

Registered Charity Number: 277324

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees, who are also the Directors of the Company for the purposes of company law, present their annual report, incorporating the strategic report and financial statements for the year ended 31 August 2022. The report covers the activities of Shrewsbury House Preparatory School, Shrewsbury House Pre-Preparatory School and The Rowans School. The Trustees confirm that the financial statements comply with current statutory requirements, those of the governing documents and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' 2019 – Second edition.

REFERENCE AND ADMINISTRATIVE INFORMATION

Shrewsbury House School Trust Limited (the Trust) is a registered charity (number 277324). The legal status of the charity is a company limited by guarantee, without share capital, company number 01411417. The liability of each of the members of the company is limited to an amount not exceeding £5.

The Registered Office and principal address of the Company is:

107 Ditton Road
Surbiton
Surrey
KT6 6RL
United Kingdom

Trustees

The Trustees, who are also all members, have held office from 1 September 2021 to the date of this report, unless otherwise stated are as shown below:

D. Johns	Chairman
A.L. Lee	Deputy Chairman
M.A.K. Claeys	retired 06/12/2022
S. Clarke	retired 06/12/2022
P.D. Gibbon	
V. Laville	
J. Le Grice	
H.A. Lowe	
I.S. Muir	
D. Sanders	
C. Thorneycroft	
R. White	appointed 06/12/2022

Key Management Personnel

Executive Head of Shrewsbury House School Trust, Head of Shrewsbury House School	Mrs J.M. Hubbard
Head of Shrewsbury House Pre-Preparatory School	Mr J. Akhurst
Head of The Rowans School	Ms E. Spratt
Director of Finance and Operations, Secretary to the Governors	Mr R.A. Harper (appointed 19/04/2022)
Director of Finance and Resources, Secretary to the Governors	Mr P. Dart (retired 31/05/2022)
Senior Deputy Head	Mr J. Albert
Director of Communications and Compliance	Mrs J. Hand

Professional Advisers

Bankers

National Westminster Bank plc
5 Market Place
Kingston upon Thames
Surrey
KT1 1JX

Lloyds TSB Bank plc
83 High Street
Walton on Thames
Surrey
KT12 1DU

Auditors

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Lawyers

Veale Wasbrough Vizards
Orchard Court
Orchard Lane
Bristol
BS1 5WS

Insurance Brokers

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

Websites

Shrewsbury House School

www.shrewsburyhouse.net

Shrewsbury House Pre-Preparatory School

www.shrewsburyhousepreprep.net

The Rowans School

www.rowans.org.uk

STRATEGIC REPORT

AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

The main object of the Trust, as set out in its Articles of Association, is to promote and provide for the advancement of education, including the provision of financial support to those who cannot afford to pay tuition fees. It also provides for and promotes the use of its facilities to develop education and recreation for the local community as well as to support other educational charities and local state schools.

To achieve this, the Trust runs three independent fee-paying day schools which seek to provide the best possible learning environment. These are Shrewsbury House Pre-Preparatory School and The Rowans School for boys and girls aged between 3 and 7, and Shrewsbury House School for boys aged between 7 and 13. For every child, the Trust aims to provide both an academic and a broad education. This is intended to draw out pupils' abilities and academic potential, awaken and develop wider interests in life and motivate them for a successful and happy future. In particular, we aim to live our schools' values and develop positive learning behaviours.

The main objective of the Trustees is to ensure that all pupils are educated to a consistently high standard, which is a key element of the Trust's ethos and historic traditions. This is achieved by employing high quality, committed teachers and relevant support staff to facilitate the teaching and learning experience. The use of technology is a key enabler in delivering these results.

The principal activity of the Trust continues to be the provision of day schools for children aged between 3 and 13 years' old. In the year under review, the Trust provided education for 551 pupils. In determining the Trust's objectives and planning its activities, careful consideration continues to be given to the Charity Commission's general guidance on public benefit. The Trust clearly aims to:

- Offer financial support through bursaries to those pupils who would thrive on the broad education opportunities offered by the Trust, but whose parents are unable to afford the fees. In addition, we look for senior schools who would be prepared to continue financial support;
- Play a part in supporting and assisting local state schools in providing a broad education for their students;
- Support local and overseas charities through fundraising activities; and
- Play a part in the local community, be aware of the needs of our neighbours, and to offer facilities and support where appropriate.

The Trust is committed to working with the community and seeks to increase pupil numbers travelling to school by minibus, coach or bicycle to minimise the impact on local traffic. The sports facility at Shrewsbury House Sports Ground and also the swimming pool, sports hall, music rooms and theatre at 107 Ditton Road are available to the local community.

REVIEW OF ACTIVITIES AND PERFORMANCE FOR THE YEAR

The three schools of the Trust showed strong performances through the year across the curriculum. Pupils received a full curriculum throughout lockdown and through the return to school transition, resulting in good progress being made in and out of the classroom.

The Governors provided support and guidance to the schools throughout the year, particularly in connection with large-scale projects and during inspections. More frequent visits by the Governors to the schools will be arranged to increase their visibility and further build relationships with the staff.

Shrewsbury House School

Despite the challenges of COVID-19 and economic uncertainty, the day-to-day experience of pupils and parents has been exceptionally strong. A full return to events has enabled us to showcase the musical, sporting and creative talents of our pupils. Academic achievements have been equally impressive this year and we are very proud of the fourteen scholarships and awards gained by our senior boys.

Visible changes, such as the new reception area and the sports pavilion at Shrewsbury House Sports Ground, mark the arrival of a new era at the School, where efficient processes, good communication and a talented leadership team are making a positive impact. A curriculum review has led to a change of timetable and the introduction of our new 'Discovery Programme' for senior years, which will further enhance the offering for Year 7 and Year 8.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

It has been a very busy period for engagement with our senior schools, both through visits and also with attendance at their events. These visits have served to reinforce some very strong relationships and built on fledging relationships with a wider range of schools. Many more visits are already planned for the new academic year.

Our inaugural Admissions Directors' Information Sharing Morning was hosted at the School in May. The purpose of this event, was to bring together the Admissions Directors at schools from a wider geographical area to share ideas, best working practices and to emphasise the value of receiving our boys at 13+. The event was very well received by representatives from each of the schools.

We are very proud of all the boys for their diligence through the scholarship process. They have achieved 100% success at entrance on scholarship.

The School has supported several charities over the course of the year with the main charity chosen by pupils being Momentum Children's Charity and, through pupil-focused fund raising and initiatives, the Shrewsbury House Association made a donation to the redecoration of rooms at Kingston Hospital.

Shrewsbury House Pre-Preparatory School

An Independent School Inspectorate regulatory compliance inspection took place in May 2022. The results endorsed the school's policies and procedures and there was extremely positive feedback about the school itself.

We are grateful that COVID-19 restrictions have been lifted: we have taken full advantage of this with many events and opportunities to actively engage the whole school community. It is noticeable how well-supported all of our events have been by parents and wider family, eager to catch up on lost time.

Nursery numbers are still growing and interest in the School remains strong.

The Rowans School

The School has had a busy and productive year. The gradual easing of COVID-19 restrictions allowed for a full return to focusing on in-class teaching as well as a full resumption of termly outings and events.

LAMDA results were, once again, exceptionally strong with 25% of Year 1 achieving Merit and 75% Distinction, and 100% of Year 2 gained Distinction.

We have retained our National Online Safety accredited school status and work with parents, staff and children to educate our community about internet safety. We have also retained our Gold Travel Award from TfL and our Junior Travel Ambassadors have worked with parents and the local community to promote safe and sustainable travel throughout the year.

We have gained reaccreditation with the British Council International Schools Award in recognition of our very strong international ethos and programme that is woven throughout our curriculum. We have also been working on an application for an Artsmark award. Artsmark is the only creative quality standard for schools and education settings, accredited by Arts Council England.

An Independent School Inspectorate Educational Quality and Focused Compliance Inspection took place in February 2022. The School meets all the standards in the schedule to the Education (Independent School Standards) Regulations 2014 and associated requirements and no further actions is required as a result of this inspection. We were delighted to receive 'excellent' judgments for both the 'quality of the pupils' academic and other achievements' and the 'quality of the pupils' personal development.'

We remain actively reflective over our curriculum, taking on board feedback from our recent Independent School Inspectorate inspection and current educational research. Recognising the importance of values, mental health awareness and life skills are all key factors in this area, and The Rowans School has much to showcase in regard to these.

This year the School has supported St George's Hospital Charity and WaterAid through various whole-school fundraising initiatives.

FUNDRAISING

All fundraising activity across the Trust continues to be managed in an open and transparent fashion with the clear objective of being respectful, responsible and accountable so that potential and existing supporters of our work have complete confidence in their giving to the Trust. There were no complaints received by the Trust during the reporting period about its fundraising practices.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

We are grateful to parents who donated towards developing the infrastructure of the schools and also to the planting around the new pavilion at Shrewsbury House Sports Ground, an important contribution to the area's biodiversity.

FINANCIAL RESULTS AND RESERVES POLICY

Shrewsbury House School and The Rowans School continue to see strong pupil numbers. Shrewsbury House Pre-Preparatory School is recovering from the high level of withdrawals caused by COVID-19, but more slowly.

Net income of the Trust for the year amounted to £624,033 (2021: £782,123), the decrease reflecting a shortening of the anticipated useful economic life of some fixed assets and an impairment of the value of construction in progress.

The impact of COVID-19 resulted in the Trust applying for and securing a Coronavirus Business Interruption Loan of £1,450,000 last year. Interest payments and repayments on this loan commenced in July 2022.

At the end of July 2022, in accordance with the asset purchase agreement, the Trust paid deferred consideration of £482,000 (2021: £Nil) to the Corporation of King's College School for the purchase of The Rowans School.

The Board of Governors continues to plan for surplus net income every year, which is added to reserves to enable reinvestment in the future to meet the objectives of the Trust's capital development plans. The funds at the year-end totalled £11,684,402 (2021: £11,060,369), which included £11,668,763 of unrestricted funds (2021: £11,055,669) and £15,639 of restricted funds (2021: £4,700). These include funds for the Shrewsbury House Sports Ground landscaping and major projects.

The Board of Governors continues to monitor the financial risks affecting the Trust to ensure that it continues to meet its charitable objectives, remains financially sustainable and a going concern. Its long-term cash flow is being stress-tested and reviewed periodically. The Board does not see any indication that the Trust is unable to meet its future obligations as they fall due, but recognises that we continue to need bank loans to fund our existing facilities and servicing the obligations as a result of the acquisition of The Rowans School and its site in Wimbledon.

PUBLIC BENEFIT

The Trust has adopted a multi-faceted approach to public benefit as is reflected in its Articles of Association, providing education to pupils who would otherwise be educated at public expense. The Trust is committed to providing bursaries to those families whose children, whilst being of the ability and personality to thrive at Shrewsbury House School, may not be able to afford to send their children here. Fundamental to the bursary policy, enshrined in the Trust's ethos, is that the child is placed first and the parents' means second. The approach to bursaries covers new and existing pupils and has been used to provide financial assistance in the event of unforeseen financial difficulties faced by existing parents. Bursaries are normally awarded each academic year and are means-tested. Further details are included in the 'About us' section of Shrewsbury House School's website and interested parents should contact the School for additional information. Currently 6 (2021: 10) pupils hold means-tested bursaries, varying in value from 30% to 100% of annual fees, of which 3 are life-changing at 80% or above. In total terms, concessions inclusive of staff fee discounts have been accorded to 18 (2021: 24) pupils at a cost to the Trust of £155,691 (2021: £137,522).

The Trust aims to use school facilities for education and recreation for the local community. The use of school facilities increased this year due to the lifting of COVID-19 restrictions and the Trust has continued to support its wide range of community and commercial clients. The Trust has maintained its relationship with two local state schools and use of the swimming pool facility is provided free of charge, supporting around 90 children per week, with potential to widen its availability further. Our transport service provides minibuses and coach use to local scout groups, supporting over 127 children. Commercial clients use the sports facilities at each site and a local dance school is now based at schools within the Trust, supporting over 400 children each week. Shrewsbury House School's facilities in particular are used by many clubs during school holidays. New business remains a focus for members of the lettings team, who continues to forge local links with state schools and community groups.

PLANS FOR THE FUTURE

We have secured planning consent for the master plans submitted for all three sites from the Royal Borough of Kingston, the Royal Borough of Merton and Elmbridge Borough Council. However, given the continuing uncertain economic landscape, the Trustees have paused the development at 107 Ditton Road and at The Rowans School for the time being. The Trustees will continue to assess the timing of the commencement of works.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

The Trust continues to invest significantly in ensuring that the IT infrastructure and hardware in all our schools is fit for purpose and creates the enabling learning environment needed to equip our pupils for a fast-changing technological world. The Trust has a robust platform for the delivery of the curriculum via distance learning should this prove necessary again.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Governors is responsible for the management of all risks faced by the Trust. Governors are supported by the Trust Executive Committee. Risks are identified, assessed and controls established to mitigate the risks identified. The Trust's Risk Register is reviewed by the Legal & Estates Committee on a termly basis and a summary tabled to the Board of Governors.

The principal risks identified by the Governors are categorised under the following headings:

- External factors including political, environmental, legal and regulatory and economic;
- Financial;
- Operational;
- Compliance;
- Human Resources; and
- Governance.

External factors

The Trust is constantly assessing the effects of the changes in political and economic factors that may affect the operation of the schools and delivery of its offering in the short, medium and longer term. The key responsibilities of the sub committees are set out under the section 'Organisation and Management'. The Finance Committee, in conjunction with the Director of Finance and Operations, is responsible for developing and stress-testing financial models, which are regularly reviewed.

There are factors outside the control of the Trust such as political uncertainty, Brexit, COVID-19 and the war in Ukraine. The Board of Governors, Legal & Estates Committee and the Trust Executive Committee closely monitor the potential impact of these risks. The Trust follows Government guidance with regards to restrictions and preventative measures. Comprehensive risk assessments have been developed and published on each of the schools' websites.

The major risks are that pupil numbers will fall and/or that parents will be unable to continue paying the schools' fees. Pupil numbers and outstanding fees are closely monitored. The Trust continues to look for indicators of financial hardship and offer assistance where possible.

Financial

There is a risk that pupil numbers may not be sufficient to maintain the Trust's long-term plan. The Trust mitigates this risk by producing a 10-year cash flow projection, reviewed at least termly. This is supported by bank borrowing, repayable in between 2- and 10-years' time.

Another key risk is the expected increase in employer contributions to the Teachers' Pension Scheme (TPS). Employer contribution rates increased from 16.48% to 23.68% from 1 September 2019, an increase of 43.7%. This had a significant impact on the Trust's 2020-21 and 2021-22 performance. There is a very strong likelihood of a further material increase in employer contributions once the actuarial valuation has been completed. This is likely to be implemented from April 2024. As a result, the Board of Governors decided that a withdrawal from the TPS is prudent. After an extensive consultation process, it was agreed that this would take place at 31 August 2023, with the TPS replaced by a defined contribution scheme with a combined contribution and benefit rate of 16.5%.

Operational

Educational success across the curriculum demands employing committed staff with current, up-to-date teaching and learning facilities to ensure that pupils are able to progress in a learning-friendly environment. The risk of not achieving educational success is managed by partnering with parents, encouraging regular communication as the child progresses, combining attractive salaries for staff and on-going investment in the estate and infrastructure.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

Compliance

The Trust's success has been built upon its reputation for the education and wellbeing of its pupils. The risk of damage to the Trust's reputation is managed through the regular implementation and monitoring of safeguarding and staff recruitment policies, pastoral support for both pupils and staff plus the active identification and resolution of health and safety issues.

The Trust also takes its compliance with General Data Protection Regulation (GDPR) and UK Data Protection Regulations very seriously. All staff are briefed in how to minimise the risk of losses or accidental release of personal data on a regular basis.

Human Resources

Recruitment and retention of high-quality staff members is a top priority for the Trust Executive Committee. The terms and conditions for teaching staff are reviewed regularly to ensure that these are in line with those of similar independent schools. A full programme of staff development is in place to ensure that staff are kept abreast of the best possible practice and they have scope to fully develop their experience whilst at the Trust.

Governance

Details of the recruitment, training, skills and structure of the Board of Governors and its sub-committees are provided under the 'Structure, Governance and Management' section.

Key controls used by the Trust to manage risk include:

- Formal agendas for all committee and Board activity;
- Detailed terms of reference for all committees;
- Comprehensive strategic planning, budgeting and management accounting information;
- Established organisational structure and lines of reporting;
- Formal written policies on all aspects of activity; and
- Vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the Trust, the Governors are satisfied that the major risks identified have been adequately mitigated where possible. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been suitably managed.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The governing document of the Trust is its Articles of Association.

Governing Body

A Board of Governors, whose members are also Directors of the Company (herein referred to as "Trustees"), governs the Trust. The Trustees meet regularly in the manner prescribed in the Articles of Association and meet as a full board at least once a term. The sub-committees (Finance, Strategy, Education and Legal & Estates) meet at least once a term.

The normal term of office for a Governor is three years. A Governor is eligible for re-election for further terms of office. The Trustees are authorised to appoint new members provided they do not exceed the maximum of 15 prescribed by the Articles of Association. The Board of Governors aims to recruit Trustees who have a range of specialist skills, in order to maintain a strong balance of expertise. Current members include experts in education, financial management, law, banking, property and estates, risk and insurance. No Trustee has any beneficial interest in the company.

Trustee Induction and Training

All new Trustees receive an induction pack, which explains their role, the role of the Board of Governors, and details of Charity Commission and Companies House requirements. They are also given background information on previous Board decisions, Board papers and general information about the schools. The new Governor's Induction Programme includes a meeting with the Executive Head, the Designated Safeguarding Lead and the Clerk to the Governors to ensure that there is a thorough understanding of how the schools fulfil their regulatory obligations. All Governors are informed of relevant courses available to them throughout the year, including courses and conferences run by the Independent School Inspectorate, Association of Governing Bodies of Independent Schools, the Independent Association of Prep Schools, the Independent Schools' Bursars Association, the Independent Schools Council and our auditors.

Organisation and Management

The Trustees determine the general policy of the Trust, meeting each term to receive reports from the heads of each school and the chairs of the sub-committees.

The Education Committee reviews all matters relating to the delivery of the curricula within each school and policies which are entirely pupil-centred. The Legal & Estates Committee reviews a wide range of topics including estates development, health and safety, supplier and staff contractual matters, general regulatory matters, complaints and the single central register of appointments. The Finance Committee reviews the Trust's on-going financial position and examines recommendations from the other committees for development projects prior to seeking main board approval. It manages, at an executive level, the budgets of the Trust, including remuneration policy and fee levels which are approved by the main Board.

Key Management Personnel

The day-to-day running of the Trust is delegated to the Executive Head and the Director of Finance and Operations, who are supported by the Trust Executive Committee and the Governors; together this group are the key management personnel, as set out on page 1 of this document.

The Governors give of their time freely and the remuneration of the senior staff is set by the Finance Committee and kept under annual review. The Executive Head's remuneration is also reviewed annually, but by the Chairman and Deputy Chairman who submit their proposals for consideration to the full Board of Governors. The criteria used in reviewing and setting pay are:

- The nature of the role and breadth of responsibilities;
- Participation in salary surveys providing a range of relevant comparable data;
- Competitor salaries in the region where this is available; and
- Overall trends in pay.

Group Structure and Relationships

The Trust is the corporate structure through which the schools are organised and managed. There is an Executive Head, who is also the head of Shrewsbury House School in Surbiton, and two other heads, one at Shrewsbury House Pre-Preparatory School in Esher and another who manages the affairs of The Rowans School in Wimbledon.

Shrewsbury House School benefits from the support of the Shrewsbury House Association, Shrewsbury House Pre-Preparatory School from the support of Shrewsbury Pre-Preparatory Association and The Rowans School from the support of Friends of The Rowans School. These bodies are organised by representatives of the parents and raise funds to provide additional benefits to the pupils.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Shrewsbury House School Trust Limited for the purpose of Company Law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year which 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 Trustees are required to:

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

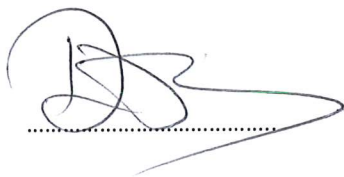
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

In so far as we are aware:

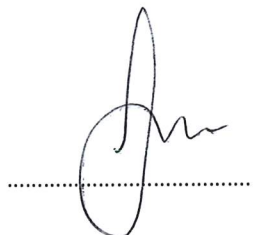
- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information and to establish that the auditor is aware of that information.

ON BEHALF OF THE BOARD

The Trustees' Report incorporating the Strategic Report was approved and authorised for issue by the Board of Trustees on 6 December 2022 and signed on their behalf by:



D. Johns



A.L. Lee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHREWSBURY HOUSE SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of Shrewsbury House School Trust Limited for the year ended 31 August 2022 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of the charitable company's net movement in funds, including the 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Trustees have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHREWSBURY HOUSE SCHOOL TRUST LIMITED

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees (which incorporates the strategic report and 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 by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 9, 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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to The Education (Independent School Standards) Regulations 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and 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 and Charities Act 2011, and considered other factors such as payroll tax and sales tax.

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 posting inappropriate journal entries to income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings with unusual amounts or descriptions, and postings with unusual date characteristics; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHREWSBURY HOUSE SCHOOL TRUST LIMITED

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

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

Use of our report

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



.....
Tracey Young (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 20 December 2022.....

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2022

(incorporating income and expenditure account)

	Notes	Unrestricted General Fund £	Restricted Fund £	Total 2022 £	Total 2021 £
INCOME FROM:					
Income from charitable activity					
School fees	3	9,597,047	-	9,597,047	9,051,987
Ancillary trading income	4	897,306	-	897,306	590,928
Other trading activities					
Rental and lettings income		111,291	-	111,291	91,419
Investment income					
Bank and other interest		3,475	-	3,475	1,910
Voluntary sources					
Grants and donations	5	3,744	16,179	19,923	44,793
Coronavirus Job Retention Scheme		-	-	-	33,412
Other Income					
Other Income		16,607	-	16,607	4,501
Total Income		<u>10,629,470</u>	<u>16,179</u>	<u>10,645,649</u>	<u>9,818,950</u>
EXPENDITURE:					
Costs of raising funds:					
Financing costs		254,179	-	254,179	198,199
Charitable activity:					
Education		9,766,897	540	9,767,437	8,838,628
Total Expenditure	6	<u>10,021,076</u>	<u>540</u>	<u>10,021,616</u>	<u>9,036,827</u>
NET INCOME		608,394	15,639	624,033	782,123
Transfers between funds		4,700	(4,700)	-	-
NET MOVEMENT IN FUNDS		613,094	10,939	624,033	782,123
Fund balance brought forward at 1 September 2021		11,055,669	4,700	11,060,369	10,278,246
Fund balances carried forward at 31 August 2022	14	<u>11,668,763</u>	<u>15,639</u>	<u>11,684,402</u>	<u>11,060,369</u>


The results for the year and the prior year are derived from continuing activities.

The comparative statement of financial activities is note 21.

The notes on pages 16 to 27 form part of these financial statements.

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	9	17,601,836	15,365,915
Current assets			
Debtors	10	322,276	221,252
Cash at bank		1,810,375	4,614,619
		<u>2,132,651</u>	<u>4,835,871</u>
Current liabilities			
Creditors – due within one year	11	(2,726,427)	(2,670,855)
		<u>(593,776)</u>	<u>2,165,016</u>
Net current (liabilities)/assets		17,008,060	17,530,931
Total assets less current liabilities			
Creditors – due after more than one year	12	(5,323,658)	(6,470,562)
		<u>11,684,402</u>	<u>11,060,369</u>
Net assets			
Represented by:			
Unrestricted funds	14	11,668,763	11,055,669
Restricted funds	14	15,639	4,700
		<u>11,684,402</u>	<u>11,060,369</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 6 December 2022.
and were signed below on its behalf by:


.....)
D. Johns)
.....)
.....) Trustees
.....)
A.L. Lee)
.....)

The notes on pages 16 to 27 form part of these financial statements.

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
<i>Net cash provided by operating activities</i>	16.A	1,249,495	1,731,996
Cash flows from investing activities:			
Bank interest		3,475	1,910
Purchase of tangible fixed assets		(3,607,097)	(1,002,527)
Sales proceeds from sale of tangible fixed assets		3,500	-
<i>Net cash provided by/(used in) investing activities</i>		(3,600,122)	(1,000,617)
Cash flows from financing activities:			
New borrowing		-	1,450,000
Repayments of borrowing		(453,616)	(420,289)
<i>Net cash provided by/(used in) financing activities</i>		(453,616)	1,029,711
<i>Change in cash and cash equivalents in the reporting period</i>		(2,804,244)	1,761,090
Cash and cash equivalents at the beginning of the reporting period		4,614,619	2,853,529
Cash and cash equivalents at the end of the reporting period	16.B	1,810,375	4,614,619

The notes on pages 16 to 27 form part of these financial statements.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

1. CHARITABLE STATUS

The Trust is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee and does not have any share capital. It was incorporated on 25 January 1979 (company number: 01411417) and registered as a charity on 20 February 1979 (charity number: 277324).

2. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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 statements are drawn up under the historical cost convention.

The functional currency of the Trust is considered to be GBP because that is the currency of the primary economic environment in which the Trust operates.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis, in particular, the carrying value of the construction in progress totalling £4,862,685 (2021: £1,696,924). Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees, other than those identified above, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Going concern

As highlighted in the Report of the Trustees, having assessed the Trust's financial position, the plans for the foreseeable future, the risks to which the Trust is exposed and the detailed cash projections, the Trustees are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

The following principal accounting policies have been applied:

Income

All income is recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Fees and similar income

Fees receivable and charges for services and use of the premises are accounted for in the year in which the services are provided. Fees receivable are stated after deducting bursaries, scholarships and other remissions allowed by the Trust.

Registration fees are non-refundable and are credited to income when received.

Deposits are included as a liability until refunded or, on ceasing to be refundable, are credited to income.

Advance fees are credited to income as and when the fees fall due.

Rental and investment income

Rents are stated gross and are included on an accruals basis. Interest received represents gross interest derived from cash deposits held and credit balances and is accounted for on a receivable basis.

Donations and legacies and other voluntary income

All donations, legacies and other voluntary income are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Trust is considered probable.

Donations received for the general purposes of the Trust are credited to Unrestricted Funds. Donations subject to specific wishes of the donors are credited to the relevant Restricted Funds.

Government grants

The Coronavirus Job Retention Scheme (CJRS) resulted in cash payments from government to compensate employers for part of the wages, associated national insurance contributions (NICs) and employer pension contributions of employees who were placed on furlough (that is, placed on a temporary leave of absence from working for the employer). This is accounted for in accordance with Section 24 of FRS 102 and the performance model is used to recognise these grants.

Expenditure

Expenditure is accounted for on an accruals basis where there is a legal or constructive obligation to make a payment to a third party and the amount of the obligation can be measured reliably. Charitable expenditure represents the costs of running the Trust including salaries, catering, premises and welfare costs. Costs of raising funds include financing costs. Charitable expenditure is allocated to the appropriate headings relevant to the charitable activities on a direct basis. Support costs mainly represent office administration. Irrecoverable VAT is charged to the Statement of Financial Activities as incurred. Governance costs comprise the costs of running the Trust, including strategic planning for its future development, external audit, legal advice and all the costs of complying with constitutional and statutory requirements.

Operating leases

The annual rental for operating leases is charged to the Statement of Financial Activities on a straight-line basis over the lease term.

Staff Benefits including pension costs

The Trust contributes to the following schemes:

- i. The Trust contributes to the Teachers' Pension Scheme. This is a multi-employer pension scheme and it is not possible to identify the Trust's share of the underlying assets and liabilities on a consistent and reasonable basis. Therefore, as required by FRS 102, the Trust accounts for the scheme as if it were a defined contribution scheme. The Trust's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.
- ii. The Trust also operates a defined contribution scheme – Aviva pension scheme. Contributions to the plan are made in accordance with the rules of the plan and are charged to expenditure when they are payable.

Short term benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accruals basis and in accordance with FRS 102.

Funds

Restricted - where the purpose for which the funds may be used has been restricted by donors; and

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objects.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

Fixed Assets

All assets purchased are included at their purchase price. Assets with a cost below £500 are not capitalised.

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation has been provided on the straight-line method by reference to the anticipated useful lives of the assets concerned at the following rates:

Land	-	Not depreciated
Freehold property buildings	-	2% per annum
Property improvements	-	Up to 15 years
Motor vehicles	-	20% per annum
Plant, equipment and computers	-	20% to 25% per annum

No depreciation is charged to assets under construction.

Assets are reviewed for impairment on an annual basis and any charges are expensed to the Statement of Financial Activities.

Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and cash equivalents, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and cash equivalents is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, when applicable, are shown within current liabilities.

Debtors

Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Creditors

Creditors are recognised where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Deferred consideration

Shrewsbury House School Trust Limited has agreed to pay a deferred consideration to The Corporation of King's College Wimbledon following the acquisition of The Rowans School on 31 July 2017. The deferred consideration has been discounted to present value and is shown under Creditors.

Bank borrowings

Liabilities for borrowings which are subject to a market rate of interest are measured at the value of the amount advanced, less capital repayments.

3. CHARITABLE ACTIVITY - SCHOOL FEES RECEIVABLE

	2022 £	2021 £
Gross school fees	9,752,738	9,339,020
Less: COVID-19 summer term discounts	-	(130,176)
	<u>9,752,738</u>	<u>9,208,844</u>
Less: Total bursaries, grants and allowances	(155,691)	(156,857)
	<u>9,597,047</u>	<u>9,051,987</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

4. ANCILLARY INCOME

	2022 £	2021 £
Registration fees	45,900	42,900
School fees insurance	15,307	17,454
School fees draw	16,575	19,964
Extras	560,015	326,121
Minibus charges	259,509	184,489
	<u>897,306</u>	<u>590,928</u>

5. INCOME FROM VOLUNTARY SOURCES

	2022 £	2021 £
Donations and grants	19,923	59,444
Less: Hardship discounts offered to parents	-	(14,651)
	<u>19,923</u>	<u>44,793</u>

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff Costs £	Other £	Depreciation /Impairment £	Total 2022 £	Total 2021 £
Costs of raising funds:					
Financing costs	-	254,179	-	254,179	198,199
Charitable activity:					
Teaching	4,434,708	689,891	200,191	5,324,790	5,267,164
Premises	352,959	1,049,965	1,135,344	2,538,268	1,893,283
Welfare	-	494,097	-	494,097	382,653
Support costs – other	1,141,701	252,150	-	1,393,851	1,280,125
Support costs – governance	-	16,431	-	16,431	15,403
Total	<u>5,929,368</u>	<u>2,756,713</u>	<u>1,335,535</u>	<u>10,021,616</u>	<u>9,036,827</u>

2021 COMPARATIVES

	Staff Costs £	Other £	Depreciation £	Total 2021 £
Costs of raising funds:				
Financing costs	-	198,199	-	198,199
Charitable activity:				
Teaching	4,497,923	555,099	214,142	5,267,164
Premises	359,386	1,019,799	514,098	1,893,283
Welfare	-	382,653	-	382,653
Support costs – other	1,047,643	232,482	-	1,280,125
Support costs – governance	-	15,403	-	15,403
Total	<u>5,904,952</u>	<u>2,403,635</u>	<u>728,240</u>	<u>9,036,827</u>

Support costs include the costs borne by the Trust for the administrative functions and include Compliance, Human Resources, Facilities, Finance, Information Technology, Marketing and Minibuses.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

6. ANALYSIS OF TOTAL EXPENDITURE (Continued)

	2022 £	2021 £
GOVERNANCE COSTS		
Audit fees	16,090	15,050
Trustee expenses	341	353
	<u>16,431</u>	<u>15,403</u>

7. NET INCOME FOR THE YEAR

	2022 £	2021 £
This is stated after charging:		
- Auditors' remuneration - Audit (excluding VAT)	16,090	15,050
- Other fees (excluding VAT)	4,900	1,500
Operating leases (excluding VAT)	<u>139,914</u>	<u>134,956</u>

8. STAFF COSTS

	2022 £	2021 £
Wages and salaries	4,641,124	4,620,320
Social security costs	487,594	472,964
Other pension costs	767,368	778,520
Other staff costs	25,018	22,665
Redundancy and termination payments	8,264	10,483
	<u>5,929,368</u>	<u>5,904,952</u>

	2022 Number	2021 Number
The average number of persons employed by the school during the year was:		
Teaching staff and teaching assistants	85	88
Support and other staff and gap students	45	38
Minibus drivers – part-time	15	14
	<u>145</u>	<u>140</u>

The number of employees who received emoluments and benefits in the following ranges were:

£60,001 - £70,000	7	10
£70,001 - £80,000	3	1
£80,001 - £90,000	-	2
£90,001 - £100,000	-	1
£120,001 - £130,000	-	1
£140,001 - £150,000	1	-

The school made employer's pension contributions totalling £164,045 (2021: £219,107) on behalf of the higher paid employees.

Aggregate employee benefits of key management personnel – Senior management team	<u>885,182</u>	<u>879,604</u>
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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

9. TANGIBLE FIXED ASSETS

	Freehold Property	Leasehold Property	Freehold Property Improvements	Construction in Progress	Equipment, Computers and vehicles	Total
	£	£	£	£	£	£
Cost or Valuation						
At 1 September 2021	14,021,072	82,350	3,921,851	2,715,086	2,100,622	22,840,981
Additions	-	-	84,973	3,279,273	242,851	3,607,097
Disposals	-	-	(268,538)	-	(117,279)	(385,817)
At 31 August 2022	14,021,072	82,350	3,738,286	5,994,359	2,226,194	26,062,261
Depreciation						
At 1 September 2021	2,970,637	-	1,818,836	1,018,163	1,667,430	7,475,066
Charge for the year	179,387	-	591,365	-	200,191	970,943
Impairment	-	-	251,081	113,511	-	364,592
Disposals	-	-	(244,155)	-	(106,021)	(350,176)
At 31 August 2022	3,150,024	-	2,417,127	1,131,674	1,761,600	8,460,425
Net Book Value						
At 31 August 2022	10,871,048	82,350	1,321,159	4,862,685	464,594	17,601,836
At 31 August 2021	11,050,435	82,350	2,103,015	1,696,924	433,192	15,365,915

National Westminster Bank plc hold a first legal charge over the freehold property dated 19 July 1994 in respect of 107 Ditton Road, Surbiton, KT6 6RL.

Lloyds TSB Bank Plc hold a first legal charge over the freehold property dated September 2011 in respect of 22 Milbourne Lane, Esher, KT10 9EA.

Lloyds Bank plc hold a first legal charge over the freehold property dated 31 July 2017 in respect of 19 Drax Avenue, Wimbledon Common, London, SW20 0EG. Lloyds Bank plc also has a debenture dated 12 March 2021 in the form of a floating charge over all the properties of the Trust and a negative pledge.

The Corporation of King's College School holds a first legal charge over the freehold property dated 31 July 2017 in respect of 54 Ditton Road, Surbiton, KT6 6RB.

10. DEBTORS

	2022 £	2021 £
Due within one year:		
Trade debtors	99,731	24,784
Other debtors	62,348	34,863
Prepayments and accrued income	160,197	161,605
	322,276	221,252

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

11. CREDITORS: Amounts falling due within one year

	2022	2021
	£	£
Bank loans (see note 13)	734,142	513,311
Deferred consideration	465,006	463,462
Trade creditors	364,549	404,918
Social security costs and other taxation	119,211	140,335
Other creditors	118,037	191,008
Accruals	172,752	313,497
Pupil deposits	214,287	200,682
Fees in advance	538,443	443,642
	<u>2,726,427</u>	<u>2,670,855</u>

12. CREDITORS: Amounts falling due after one year

	2022	2021
	£	£
Bank loans (see note 13)	4,290,997	4,965,444
Deferred consideration	-	445,652
Pupil deposits	1,032,661	1,059,466
	<u>5,323,658</u>	<u>6,470,562</u>

Pupil deposits are refundable when a pupil leaves the school.

Shrewsbury House School Trust Limited has agreed to pay a deferred consideration to The Corporation of King's College Wimbledon following the acquisition of The Rowans School on 31 July 2017. An amount of £482,000 was paid on 31 July 2022 and a further £482,000 is payable on or before 31 July 2023. The total deferred consideration has been discounted to present value at a discount rate of 4%. An amount of £465,006 is shown under Creditors falling due within one year.

13. BANK LOANS

	2022	2021
	£	£
The bank loans are repayable by instalments		
Due after five years	1,870,347	2,063,420
Due within two to five years	1,682,162	2,017,755
Due within one to two years	738,488	884,269
	<u>4,290,997</u>	<u>4,965,444</u>
Due within one year (note 11)	734,142	513,311
	<u>5,025,139</u>	<u>5,478,755</u>

Shrewsbury House School Trust Limited has a bank loan with NatWest Bank which was taken out in March 2004. The current rate of interest paid is Base Rate plus 1% and the loan is repayable in termly instalments until May 2024 when the loan will be fully repaid.

Shrewsbury House School Trust Limited has a Coronavirus Business Interruption Loan (CBIL) with Lloyds Bank which was drawn down on 17 May 2021. The current rate of interest paid on the loan is fixed at 3.91%. The loan is repayable in monthly instalments starting June 2022 until May 2027 when the loan will be fully repaid.

Shrewsbury House School Trust Limited has a bank loan with Lloyds Bank which was drawn down on 31 July 2017. The current rate of interest paid on the loan is fixed at 4.12%. The loan is repayable in termly instalments starting in September 2019 until July 2032 when the loan will be fully repaid.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

14. FUNDS

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2022 £
<i>Unrestricted fund:</i>					
General fund	11,055,669	10,629,470	(10,021,076)	4,700	11,668,763
<i>Restricted fund:</i>					
Infrastructure & equipment	4,700	16,179	(540)	(4,700)	15,639
TOTAL FUNDS	11,060,369	10,645,649	(10,021,616)	-	11,684,402

The transfer of funds relates to a laser cutter for Shrewsbury House School.

2021 COMPARATIVES

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2021 £
<i>Unrestricted fund:</i>					
General fund	10,265,133	9,797,937	9,033,354	25,953	11,055,669
<i>Restricted fund:</i>					
Infrastructure & equipment	3,700	15,775	3,473	(11,302)	4,700
Hardship	9,413	5,238	-	(14,651)	-
Total Restricted fund	13,113	21,013	3,473	(25,953)	4,700
TOTAL FUNDS	10,278,246	9,818,950	9,036,827	-	11,060,369

15. NET ASSETS OF THE FUNDS

	Fixed Assets £	Net Current Assets (Liabilities) £	Long-Term Liabilities £	Total £
Unrestricted fund	17,601,836	(609,415)	(5,323,658)	11,668,763
Restricted fund	-	15,639	-	15,639
TOTAL FUNDS	17,601,836	(593,776)	(5,323,658)	11,684,402

2021 COMPARATIVES

	Fixed Assets £	Net Current Assets £	Long-Term Liabilities £	Total £
Unrestricted fund	15,365,915	2,160,316	(6,470,562)	11,055,669
Restricted fund	-	4,700	-	4,700
TOTAL FUNDS	15,365,915	2,165,016	(6,470,562)	11,060,369

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

16. NOTES TO STATEMENT OF CASH FLOW

	2022 £	2021 £		
Reconciliation of net income to net cash flow from operating activities				
A. Net income for the reporting period (as per the Statement of Financial Activities)	624,033	782,123		
Adjustments for:				
Depreciation charges	970,942	728,240		
Impairment charges	364,593	-		
Loss/(profit) on disposal of fixed assets	32,137	(665)		
Bank interest	(3,475)	(1,910)		
(Increase)/decrease in debtors	(101,021)	13,849		
(Decrease)/increase in creditors excluding bank loans	(637,714)	210,359		
Net cash provided by operating activities	<u>1,249,495</u>	<u>1,731,996</u>		
B. Analysis of cash and cash equivalents				
Cash at bank and in hand	<u>1,810,375</u>	<u>4,614,619</u>		
Total cash and cash equivalents	<u>1,810,375</u>	<u>4,614,619</u>		
C. Analysis of changes in net debt				
	Balance at 1 September 2021 £	Cash Flows £	Transfers £	Balance at 31 August 2022 £
Cash	4,614,619	(2,804,244)	-	1,810,375
Loans falling due within one year	(513,311)	-	(220,831)	(734,142)
Loans falling due after more than one year	(4,965,444)	453,616	220,831	(4,290,997)
TOTAL	<u>(864,136)</u>	<u>(2,350,628)</u>	<u>-</u>	<u>(3,214,764)</u>

17. PENSION COMMITMENTS

The Trust participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £672,862 (2021: £680,175) and at the year-end £77,750 (2021: £67,510) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

The Trust also contributed to a pension scheme administered by Aviva for non-teaching staff. The charge totalled £87,618 (2021: £86,249) and at year-end £11,827 (2021: £12,618) was accrued in respect of contributions to this scheme. The Trust also makes contributions towards the private scheme of a member of staff.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

18. COMMITMENTS UNDER OPERATING LEASES AND CAPITAL COMMITMENTS

	Assets other than land & buildings	
	2022 £	2021 £
Due within one year	134,990	128,817
Due between one to five years	134,990	128,377
	269,980	257,194

Capital commitments contracted for but not provided in these accounts at 31 August 2022 were £Nil (2021: £680,703).

19. INDEMNITY INSURANCE

The Trust purchased insurance, at a cost of £798 (2021: £798) for the Trustees during the year to indemnify them against any liabilities arising as a result of negligence on the Trust's behalf.

20. RELATED PARTY TRANSACTIONS

No payments were made to Trustees during the year for reimbursement of expenses (2021: £Nil). Amounts paid directly to third parties on behalf of Trustees during the year amounted to £341 (2021: £353). These expenses consisted of a working dinner for Trustees. During the year, payments made by a Trustee towards school fees amounted to £6,201 (2021: £10,237). The amount billed by Shrewsbury House School to the Trustee was £9,009 (2021: £7,859). An amount of £926 (2021: £322) was billed to a company related to a Trustee for the hire of the Sports Hall. Payments made by the company were £926 (2021: £322).

During the year, the Shrewsbury House Association donated £6,260 towards the landscaping at Shrewsbury House School Sports Ground (of which £540 was spent in the year) and £2,016 to projects at Shrewsbury House School. The Friends of Rowans donated £7,903 towards projects at The Rowans School.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

21. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted General Fund £	Restricted Fund £	Total 2021 £
INCOME FROM:				
Income from charitable activity				
School fees	3	9,051,987	-	9,051,987
Ancillary trading income	4	590,928	-	590,928
Other trading activities				
Rental and lettings income		91,419	-	91,419
Investment income				
Bank and other interest		1,910	-	1,910
Voluntary sources				
Grants and donations	5	23,780	21,013	44,793
Coronavirus Job Retention Scheme		33,412	-	33,412
Other Income				
Other Income		4,501	-	4,501
Total Income		<u>9,797,937</u>	<u>21,013</u>	<u>9,818,950</u>
EXPENDITURE:				
Costs of raising funds:				
Financing costs		198,199	-	198,199
Charitable activity:				
Education		8,835,155	3,473	8,838,628
Total Expenditure	6	<u>9,033,354</u>	<u>3,473</u>	<u>9,036,827</u>
NET INCOME				
Transfers between funds		764,583	17,540	782,123
		25,953	(25,953)	-
NET MOVEMENT IN FUNDS				
		790,536	(8,413)	782,123
Fund balance brought forward at 1 September 2020		10,265,133	13,113	10,278,246
Fund balances carried forward at 31 August 2021	14	<u>11,055,669</u>	<u>4,700</u>	<u>11,060,369</u>

SHREWSBURY HOUSE SCHOOL TRUST LIMITED

England & Wales - Charity number 277324

Accounts

SHREWSBURY HOUSE SCHOOL TRUST LIMITED

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2021

Registered Company Number: 01411417
Registered Charity Number: 277324

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The Trustees, who are also the Directors of the Company for the purposes of company law, present their annual report, incorporating the strategic report and financial statements for the year ended 31 August 2021. The Trustees confirm that the financial statements comply with current statutory requirements, those of the governing documents and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" 2019 – Second edition.

REFERENCE AND ADMINISTRATIVE INFORMATION

Shrewsbury House School Trust Limited (The Trust) is a registered charity (number 277324). The legal status of the charity is a company limited by guarantee, without share capital, company number 01411417. The liability of each of the members of the company is limited to an amount not exceeding £5.

The Registered Office and principal address of the Company is 107 Ditton Road, Surbiton, Surrey, KT6 6RL, United Kingdom.

Trustees

The Trustees, who are also all members, have held office from 1 September 2020 to the date of this report, unless otherwise stated are as shown below:

D Johns	Chairman
A L Lee	Deputy Chairman
M A K Claeys	
S Clarke	
P D Gibbon	
V Laville	
J Le Grice	
H A Lowe	Appointed 15 March 2021
I S Muir	
D Sanders	
C Thorneycroft	
J Whittingham	Resigned 22 September 2020

Key Management Personnel

Executive Head of Shrewsbury House School Trust,
Head of Shrewsbury House School

Head of Shrewsbury House Pre-Prep School
Head of The Rowans School
Director of Finance and Resources
Senior Deputy Head

Director of Communications and Compliance
Deputy Head Academic

Mrs J M Hubbard (Appointed 13 February 2021); Mr K A Doble (Resigned 13 February 2021)
Mr J Akhurst
MS E Spratt (Appointed 13 February 2021);
Mr P Dart
Mr J Albert (Appointed 1 September 2021); Mr C Francis (Second Master – Resigned 31 August 2021)
Mrs J Hand
Mrs L Macallister (Resigned 31 August 2021)

Professional Advisors

Bankers

National Westminster Bank plc
5 Market Place
Kingston-upon-Thames
Surrey KT1 1JX

Lloyds TSB Bank Plc
83 High Street
Walton-on-Thames
Surrey KT12 1DU

Auditors

Haysmacintyre LLP
10 Queen Street Place, London, EC4R 1AG

Lawyers

Veale Wasbrough Vizards
Orchard Court, Orchard Lane,
Bristol, BS1 5WS

Websites: www.shrewsburyhouse.net www.shrewsburyhousepreprep.net www.rowans.org.uk

STRATEGIC REPORT

AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

The main object of the charity, as set out in its Articles of Association, is to promote and provide for the advancement of education, including the provision of financial support to those who cannot afford to pay tuition fees. It also provides for and promotes the use of the facilities of the schools to develop education and recreation for the local community and support for other educational charities and local state schools.

To achieve this, the Trust runs three independent fee-paying day schools which seek to provide the best possible learning environment at Shrewsbury House Pre-Preparatory School (SHPPS) and The Rowans School (TR) for boys and girls aged between 3 and 7 and at Shrewsbury House School (SHS) for boys aged between 7 and 13. For every child the Trust aims to provide both an academic and broad education. This is intended to draw out pupils' abilities and academic potential, awaken and develop wider interests in life and motivate them for a successful and happy future. In particular, we aim to live our school values and develop positive learning behaviour.

The main objective of the Trustees is to ensure that all pupils are educated to a consistently high standard, which is a key element of the schools' ethos and historic traditions. This is achieved by maintaining a low pupil-to-teacher ratio and employing high quality, committed teachers and relevant support staff to facilitate the teaching and learning experience. The use of technology is a key enabler in delivering these results.

The principal activity of the Trust continues to be the provision of day schools for children aged between 3 and 13 years. In the year under review, the Trust had an average of 548 pupils. In determining the Trust's objectives and planning its activities, careful consideration continues to be given to the Charity Commission's general guidance on public benefit. The Trust clearly aims to:

- Offer financial support through bursaries to those pupils who would thrive from the broad education offered by the Trust but whose parents are unable to afford the fees. In addition, we look for senior schools who would be prepared to continue financial support;
- Support local and overseas charities through fundraising activities;
- Play a part in supporting and assisting the local state schools in providing a broad education for their students;
- Play a part in the local community, be aware of the needs of our neighbours and to offer facilities and support where appropriate.

The Trust remains committed to working with the community and seeks to increase pupil numbers travelling to school by minibus or coach to minimise the impact on local traffic. Travel by bicycle is also encouraged as evidenced by the bicycle-financing scheme available to all staff and the busy cycle rack erected some years ago. SHS holds a Gold Star Award from Transport for London (TfL) for a comprehensive travel plan that demonstrates this commitment to minimising impact on local traffic. SHS is among the top 10% of London schools, which hold the Gold Level award. There are 90 schools and colleges in the borough and only five others have achieved Gold Level. The sports facility at Almshouse Lane and also the swimming pool, sports hall, music rooms and theatre at Ditton Road continue to be available to the local community, with usage rising in the first quarter of the year only to be dampened by the more recent constraints brought about by Covid-19.

REVIEW OF ACTIVITIES AND PERFORMANCE FOR THE YEAR

The three schools of SHST showed strong performances through the year across the curriculum. Pupils received a full curriculum throughout lockdown and through the return to school transition, resulting in good progress being made in and out of the classroom.

Shrewsbury House School (SHS)

During the second period of national lockdown, SHS remained open for children of critical workers and vulnerable children and parents were very appreciative of the opportunity to send their children to school if needed. We launched a full live timetable online, which enabled pupils to follow a full curriculum each day. Regular tutor meetings took place to monitor pupil well-being, and parents' evenings and reports continued as usual so that parents were kept well informed of their child's development through this period.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

As we commence the new academic year, we have adjusted our Covid-19 Risk Assessment again to reflect the current government guidance, which recommends that schools operate as usual with enhanced cleaning measures and good ventilation in buildings. We also have a Covid-19 Outbreak Management Plan which details arrangements for stepping up and down as required. Our online provision is ready to launch for individual pupils who may require it or in the event of a further national lockdown.

A robust and dynamic curriculum has enabled pupils to experience a wide range of subjects and opportunities throughout the year. In the core subjects of English and Maths, pupils have performed strongly with standardised data showing that Years 7 and 8 achieving 100% Reading age of 14+ and in excess of 83% achieving Reading age of 17 or above. This year's Year 8 cohort achieved 126 offers from 35 schools with 15 scholarships across academics, art, design and technology, music and sports. They move on to a wide range of highly prestigious boarding and day schools, well prepared for the next stage of their education.

We have also entered national competitions, for example on World Maths Day boys competed in the 'Mathletics Live' contest achieving world class results:

Year group	National ranking	World ranking
3	4 th	90 th
4	8 th	104 th
5	8 th	81 st
6	4 th	32 nd
7	6 th	65 th
8	2 nd	11 th

In the Townsend Warner History Competition, from over 1,000 entrants, SHS had 5 boys in the top 100 with one finishing in 8th place nationally.

We have continued to develop and enhance our IT provision, gaining accreditation as a National Online Safety School and providing a full 'live' curriculum during remote learning.

Relationships and Sex Education (RSE) has been fully incorporated into the curriculum with staff training supporting the delivery of a wide area of age appropriate learning from anti-bullying week to knife crime awareness. Parents have also been invited to sessions to support their sons, for example through Child Net presentations and Gambling Awareness.

A return to inter-school fixtures saw every year group represent the school and the extensive extra-curricular programme offers over 20 activities each week for the boys to develop new skills and enhance existing talents.

Arts subjects continue to thrive with over 200 boys learning an instrument and every year group taking part in concerts and ensembles during the year. The Art and DT exhibition was online this year and showcases the excellent work and projects undertaken.

Pupil voice remains key and we have established leadership positions throughout the school as well as developing the Year 8 positions of responsibility, School Council and the Eco Committee.

As lockdown eased, boys and parents were delighted that trips could resume and each year group enjoyed events in Activities week, with Year 7 & 8 taking part in a 5 day residential in Dorset.

The SHS Old Boys' Society (SHOBS) continues to maintain connections between the School and its former pupils. Various SHOBS-related visits to the School have taken place and SHOBS are invited to talk to Year 8 boys about their transition from Prep to senior schools to help allay any anxieties that boys might have about moving on. In addition, this year, older SHOBS returned to share university experiences.

The Shrewsbury House Association (SHA), constituted by a committee of parents, representing the parent body, continues to support the School in a variety of ways, providing a valuable social network for SHS parents. The annual SHA Quiz Night and Sportsman's dinner were very well attended and thoroughly enjoyed by parents. Pupils have particularly enjoyed the generous donation of the Adventure Playground from the SHA.

The Rowans School (TR)

TR has enjoyed a very successful year. LAMDA results were exceptionally strong with 100% pass rate of merit or above and 60% at distinction level. We renewed our Gold Travel Award from TfL and our Junior Travel Ambassadors have worked with parents and the local community to promote safe and sustainable travel. We are a National Online Safety accredited school and work with parents, staff and children to educate our community about internet safety. This has been a strong feature of our successful distance learning provision for each age group during lockdown. Sport has continued to be an area of strength with inter-house competitions being keenly contested for the House Cup. Sporting activities and challenges also continued during lockdown alongside a focus on mental health and well-being.

This year the School supported Great Ormond Street Hospital for Children and Underdog charities through various whole-school fundraising initiatives. A rolling programme of replacement of playground equipment is ongoing.

Shrewsbury House Pre-Prep School (SHPPS)

Despite the challenges of this last year with lockdown, SHPPS has enjoyed a successful year and continued to engage well with school families and the local community. Children's Mental Health has been a strong focus through the year, with specific support of NSPCC and Mental Health Day activities through fundraisers and activities. Online safety has been an important aspect of this year, including Child Net training for children and parents. Creativity of children, staff and parents has been seen through virtual charity events, family challenges, and support of community initiatives. Our specific support of the local charity CHEER has been maintained, with contact through lockdown. Sport and Music continued to set high standards, despite restrictions, with online activities and challenges through lockdown, and physical events when able, including inter-school challenges, competitions and concerts. The School's House Competition has been keenly fought with initiatives including termly Challenge Mornings.

FUNDRAISING

All fundraising activity across the Trust continues to be managed in an open and transparent fashion with the clear objective of being respectful, responsible and accountable so that potential and existing supporters of our work have complete confidence in their giving to the Trust. There were no complaints received by the Trust during the reporting period about its fundraising practices.

We are grateful to the generosity of a number of parents who continued to donate towards the hardship fund set up to support other parents who were facing hardships as a result of the pandemic. We are equally grateful to a number of other parents who have donated towards the infrastructure of the schools.

FINANCIAL RESULTS AND RESERVES POLICY

The restructuring plan implemented at the end of the last academic year at SHPPS allowed the school to generate positive cash surpluses in the current year. This is the result of reduced staff costs as well as a higher intake of children in Nursery. We continue to invest in ways to make the school financially sustainable. Despite a relatively higher level of withdrawals caused by the pandemic, SHS and TR continue to see strong pupil numbers.

Net income of the Trust for the year amounting to £782,123 (2020: £126,698) has been added to the accumulated reserves. As a result of the lockdown during the spring term, the Trust discounted its fees by an average of 4.5% except for Early Years resulting in a £130,176 (2020: £498,040) reduction in income and ancillary income reduced by £117,100 (2020: £285,401) caused by the reduced number of clubs and trips. These were offset by the grant received from HMRC of £33,412 (2020: £265,018) due to the claim under the Coronavirus Job Retention Scheme (CJRS) and increased lettings income by £42,123 compared to the prior year. The savings made because of the spring term lockdown in areas such as ancillary activities, catering, premises and cleaning are significantly lower than the prior year. This is due to the full lockdown experienced in the summer of 2020.

In addition, the Trust took an impairment charge of £588,163 in the prior year following changes to the design of the building programme at SHS. This had an impact on the declared surplus.

The impact of the pandemic resulted in the Trust applying and securing a Coronavirus Business Interruption Loan (CBIL) of £1,450,000.

The Board continues to plan for surplus net income every year, which is added to reserves to enable reinvestment in the future to meet the objectives of the Trust's capital development plans. The Funds at the year-end totalled £11,060,369 (2020: £10,278,246) which included £11,055,669 of unrestricted funds (2020: £10,265,133) and £4,700 of restricted funds (2020: £13,113). These include an infrastructure & equipment fund relating to the Trust's development programme to upgrade its facilities.

The Board continues to monitor the financial risks affecting the Trust to ensure that it continues to meet its charitable objectives, remains financially sustainable and a going concern. Its long-term cash flow is being stress-tested and reviewed periodically. The Board does not see any indication that the Trust is unable to meet its future obligations as they fall due but recognise we continue to need bank loans to fund our existing facilities and servicing the obligations as a result of the acquisition of The Rowans School and its site in Wimbledon.

PUBLIC BENEFIT

The Trust has adopted a multi-faceted approach to Public Benefit as is reflected in its Articles of Association. The Trust is committed to providing bursaries to those families whose children, whilst being of the ability and personality to thrive at the School, may not have the means to be able to afford to send their children here. Fundamental to the Bursary policy, enshrined in the School's ethos, is that the child is placed first and the parents' means second. The approach to bursaries covers new and existing pupils and has been used to provide financial assistance in the event of unforeseen financial difficulties faced by existing parents. Bursaries are normally awarded each academic year and are means-tested.

Further details are included in the "About us" section of the School's website and interested parents should contact SHS for additional information. Currently 10 pupils hold means tested bursaries, varying in value from 25% to 100% of annual fees. In total terms, concessions inclusive of staff fee discounts, have been accorded to 24 pupils at a cost to the Trust of £137,522 (2020: £125,218).

The Trust aims to use school facilities to conduct education and recreation for the local community. The use of school facilities slowed this year due to Covid-19 restrictions but the Trust continued to support its wide range of community and commercial clients as and when guidance allowed. The Trust has maintained its relationship with two local state schools and use of the swimming pool facility free of charge recommenced in the summer term, supporting around 90 children per week, whilst our transport service provides minibuses and coach use to local scout groups, supporting over 25 children.

A variety of commercial clients use the Sports facilities at each site and one local dance school is now based at several of the schools within the Trust, supporting over 100 children per week. New business remains a focus to the lettings team, who continue to forge local links with state schools and community groups.

PLANS FOR THE FUTURE

As indicated previously, we have secured planning consent for the master plans submitted on all three sites from both the Royal Borough of Kingston (RBK), Royal Borough of Merton and the Elmbridge Borough Council. However, given the continuing uncertain economic landscape, exacerbated by the Covid-19 pandemic the Trustees have continued to pause the development options at 107 Ditton Road for the time being. The value engineering changes with some design modifications were approved by RBK in November 2020. The Board will continue to review the precise timing of the commencement of works, given the lack of certainty on the way forward economically as well as progress made to arrest the pandemic.

The three Science laboratories have been refurbished along with the Junior Classroom Block this year and a continued programme of upgrades includes new interactive whiteboards across the Trust. The Trust continues to invest significantly in ensuring that the IT infrastructure and hardware in all our schools are fit for purpose and create the enabling learning environment needed to equip our pupils in a fast changing technological world.

The delivery of the distance-learning curriculum during 2021 has allowed the Trust to have a robust platform in the event of future lockdowns or individual pupils needed to isolate.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

The land exchange with Merlin Enterprises is now complete and the work on the improved access to our sports facility at Almshouse Lane in Chessington has started. We are in the 'enabling' phase of building the pavilion at Almshouse Lane, which will significantly improve our sports facility. This major capital project is scheduled to be completed towards the end of 2022.

As mentioned earlier, permission for the capital development plan at TR which includes the enhancement of teaching and assembly accommodation, has been granted by the local authority in Merton but no set date has yet been agreed.

The significant increase of 43.7% in the cost of employer contributions to the Teachers' Pension Scheme (TPS) with effect from September 2019 has been the subject of widespread debate having resulted in a number of independent schools terminating their membership of the TPS. The Board continues to gather information and is working closely with a number of professional advisers to ensure that all options are carefully considered before a final decision is made, which will involve further close consultation with all teaching staff.

Efforts to increase pupil numbers at SHPPS continue with both senior management and the Board looking for ways to work with prospective parents to encourage them in sending their children to SHPPS, which offers great facilities and provides an outstanding education. SHPPS has benefitted from increased marketing to ensure that the local and wider community are aware of its excellent facilities and educational offering. This has resulted in a stabilising of pupil numbers and increased uptake in Early Years.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Governors is responsible for the management of all risks faced by the Trust. Governors are supported by the Trust Executive Committee. Risks are identified, assessed and controls established to mitigate the risks identified. The Trust's Risk Register is reviewed by the Legal & Estates Committee on a termly basis and a summary tabled to the Board.

The principal risks identified by the Governors are categorised under the following headings:

- External factors including political, environmental, legal and regulatory and economic;
- Financial;
- Operational;
- Compliance;
- Human Resources;
- Governance.

External factors

The Trust is constantly assessing the effects of the changes in political and economic factors that may affect the operation of the schools and delivery of its offering in the short, medium and longer term. The key responsibilities of the sub committees are set out under the section 'Organisation and Management'. The Finance Committee, in conjunction with the Director of Finance & Resources, is responsible for developing financial models that will be put in place should circumstances dictate. These models are tested on a regular basis.

There are, however, factors, which are outside the control of the Trust, current examples of which are the impact of Brexit and the Covid-19 pandemic. The Trust continues to follow government guidance with regards to restrictions and preventative measures as a result of the pandemic. Parents and staff continue to receive timely communications on the processes to follow in the event of a positive test or Covid-19 related symptoms. In addition, comprehensive risk assessments have been developed and published on each of the schools' websites, all of which evidence a robust consultation process. The Board of Governors, Legal & Estates Committee and the Trust Executive Committee are closely monitoring the potential impact of these risks. These range from the stress-testing of the Trust's IT systems to sensitivity analysis of the finances including pupil numbers. Parents' ability to continue paying the schools' fees is being monitored as part of the fee collection process and the Trust continues to look for indicators of financial hardship and offer assistance where possible.

Financial

There is a risk that pupil numbers may not be sufficient to maintain the Trust's long term plan. To mitigate this risk, the Trust produces a 10-year cash flow projection which is reviewed at least termly. This is supported by bank borrowing which the Trust has contracted to repay over 10 years.

Another key risk is the expected increase in employer contributions to the Teachers' Pension Scheme. Employer contribution rates increased from 16.48% to 23.68% from 1 September 2019, an increase of 43.7%. This has had a significant impact on the 2019-20 and 2020-21 performances. There is a very strong likelihood of a further material increase in employer contributions once the actuarial valuation has been completed. This is likely to be implemented as from April 2024. Measures to mitigate the financial impact of this increase are constantly under review by the Board of Governors.

Operational

Educational success across the curriculum demands employing committed staff with current, up-to-date teaching and learning facilities to ensure that pupils are able to progress in a learning-friendly environment. This risk is managed by partnering with parents, encouraging regular communication as the child progresses, combining attractive salaries for staff and on-going investment in the estate and infrastructure.

Compliance

The Trust's success has been built upon its reputation for the education and wellbeing of its pupils and this risk is managed through the regular monitoring of safeguarding policies, staff recruitment policies, pastoral support for both pupils and staff and active identification and resolution of health and safety related issues.

The Trust also takes its compliance with General Data Protection Regulations (GDPR) and UK Data Protection Regulations very seriously. All staff are briefed in how to minimise the risk of losses or accidental release of personal data.

Human Resources

Recruitment of high quality staff is a top priority for the Trust Executive Committee. The terms and conditions for teaching staff are reviewed regularly to ensure that these are in line with those of similar independent schools. A full programme of staff development is in place to ensure that staff are kept abreast of the best possible practice and they have scope to fully develop their experience whilst at the Trust.

Governance

Details of the recruitment, training, skills and structure of the Board of Governors and its sub-Committees are provided under the 'Structure, Governance and Management' section.

Key controls used by the School to manage risk include:

- Formal agendas for all Committee and Board activity;
- Detailed Terms of Reference for all Committees;
- Comprehensive strategic planning, budgeting and management accounting information;
- Established organisational structure and lines of reporting;
- Formal written policies on all aspects of activity;
- Vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the Trust, the Governors are satisfied that the major risks identified have been adequately mitigated where possible. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been suitably managed.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The governing document of the Trust is its Articles of Association.

Governing Body

A Board of Governors whose members are also Directors of the Company (herein referred to as "Trustees") governs the Trust. The Trustees meet regularly in the manner prescribed in the Articles of Association and meet as a full board at least once a term. The sub-committees, Strategy, Education and Legal & Estates meet at least once a term and the Finance Committee meets more frequently in line with the financial planning and results cycle. During the pandemic, there were extraordinary Trustee meetings to discuss and manage the various risks facing the Trust to ensure it continues to provide the best education and also to support parents facing financial hardship, where possible. In consultation with the

Executive, the Governors had frozen the fees for the academic year 2020-21 and implemented discounts to the school fees during the lockdown period for the spring term except for the Early Years.

One third of the members of the Board retire every year and are eligible for re-election. The Trustees are authorised to appoint new members provided they do not exceed the maximum of 15 prescribed by the Articles of Association. The Board aims to recruit Trustees who have a range of specialist skills, in order to maintain a strong balance of expertise. Current members include experts in education, financial management, law, banking, property and estates, risk and insurance. No Trustee has any beneficial interest in the company.

Trustee Induction and Training

All new Trustees receive an induction pack, which explains their role, the role of the Board, and details of Charity Commission and Companies House requirements. They are also given background information on previous Board decisions, Board papers and general information about the schools. The new Governors' Induction Programme includes meeting with the Executive Head, the Designated Safeguarding Leads, and the Clerk to the Governors to ensure that there is a thorough understanding of how the schools fulfil their regulatory obligations. All Governors are informed of relevant courses available to them throughout the year, including courses and conferences run by the Independent School Inspectorate, Association of Governing Bodies of Independent Schools, the Independent Association of Prep School, the Independent School Bursars Association, the Independent Schools Council and our auditors.

Organisation and Management

The Trustees determine the general policy of the Trust, meeting each term to receive reports from the Heads of each school and the Chairs of the sub-committees.

The Education Committee reviews all matters relating to the delivery of the curricula within each school and policies which are entirely pupil centred. The Legal & Estates Committee reviews a wide range of topics including estates development, health, safety and welfare, supplier and staff contractual matters, general regulatory matters, complaints and the single central register of appointments. The Finance Committee reviews the Trust's on-going financial position, approves recommendations from the other Committees for development projects, prior to seeking main board approval and manages at an executive level the budgets of the Trust, including remuneration policy and fee levels which are also approved by the main Board.

Key Management Personnel

The day-to-day running of the Trust is delegated to the Executive Head and the Director of Finance and Resources, who are supported by the Trust Executive Committee and the Governors; together this group are the key management personnel, as set out on page 1 of this document.

The Governors give of their time freely and the remuneration of the senior staff is set by the Finance Committee and kept under annual review. The Executive Head's remuneration is also reviewed annually, but by the Chairman and Deputy Chairman who submit their proposals for consideration to the full Board of Governors. A number of criteria are used in reviewing and setting pay:

- The nature of the role and breadth of responsibilities;
- Participation in salary surveys providing a range of relevant comparable data;
- Competitor salaries in the region where this is available;
- Overall trends in pay.

Group Structure and Relationships

The Trust is the corporate structure through which the schools are organised and managed. There is an Executive Head, who is also the Head of SHS in Surbiton and two other Heads, one at SHPPS in Esher and another who manages the affairs of TR in Wimbledon.

SHS benefits from the support of the Shrewsbury House Association (SHA), SHPPS from the support of Shrewsbury Pre-Preparatory Association (SPPA) and TR from the support of Friends of The Rowans. These bodies are organised by representatives of the parents, which raise funds to provide additional benefits to the pupils.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Shrewsbury House School Trust Limited for the purpose of Company Law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year which 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 Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that 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.

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information and to establish that the auditor is aware of that information.

ON BEHALF OF THE BOARD

The Trustees' Report incorporating the Strategic Report was approved and authorised for issue by the Board of Trustees on 07 December 2021 and signed on their behalf by:



.....
D. Johns



.....
A. L. Lee

Opinion

We have audited the financial statements of Shrewsbury House School Trust Limited for the year ended 31 August 2021 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of the charitable company's net movement in funds, including the 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Trustees have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees (which incorporates the strategic report and 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 by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 9, 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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to independent school regulations, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and 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 and Charities Act 2011, and considered other factors such as payroll tax and sales tax.

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 posting inappropriate journal entries to income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings with unusual amounts or descriptions, and postings with unusual date characteristics; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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

Use of our report

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



.....
Tracey Young (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 07 December 2021

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021
 (incorporating income and expenditure account)

	Notes	Unrestricted General Fund £	Restricted Fund £	Total 2021 £	Total 2020 £
INCOME FROM:					
Income from charitable activity					
School fees	3	9,051,987	-	9,051,987	8,655,328
Ancillary trading income	4	590,928	-	590,928	708,028
Other trading activities					
Rental and lettings income		91,419	-	91,419	49,296
Investment income					
Bank and other interest		1,910	-	1,910	14,886
Voluntary sources					
Grants and donations	5	23,780	21,013	44,793	41,957
Coronavirus Job Retention Scheme		33,412	-	33,412	265,018
Other income					
Other income		4,501	-	4,501	13,506
Total Income		<u>9,797,937</u>	<u>21,013</u>	<u>9,818,950</u>	<u>9,748,019</u>
EXPENDITURE:					
Costs of raising funds:					
Financing costs		198,199	-	198,199	206,537
Charitable activity:					
Education		8,835,155	3,473	8,838,628	9,414,784
Total Expenditure	6	<u>9,033,354</u>	<u>3,473</u>	<u>9,036,827</u>	<u>9,621,321</u>
NET INCOME		764,583	17,540	782,123	126,698
Transfers between funds		25,953	(25,953)	-	-
NET MOVEMENT IN FUNDS		790,536	(8,413)	782,123	126,698
Fund balance brought forward 1 September		10,265,133	13,113	10,278,246	10,151,548
Fund balances carried forward at 31 August	14	<u>11,055,669</u>	<u>4,700</u>	<u>11,060,369</u>	<u>10,278,246</u>



The results for the year and the prior year are derived from continuing activities.

The comparative statement of financial activities is note 21.

The notes on pages 16 to 27 form part of these financial statements.

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	9	15,365,915	15,130,128
Current assets			
Debtors	10	221,252	235,101
Cash at bank		4,614,619	2,853,529
		<u>4,835,871</u>	<u>3,088,630</u>
Current liabilities			
Creditors – due within one year	11	<u>(2,670,855)</u>	<u>(1,908,032)</u>
Net current assets		2,165,016	1,180,598
Total assets less current liabilities		17,530,931	16,310,726
Creditors – due after more than one year	12	<u>(6,470,562)</u>	<u>(6,032,480)</u>
Net assets		<u>11,060,369</u>	<u>10,278,246</u>
Represented by:			
Unrestricted funds	14	11,055,669	10,265,133
Restricted funds	14	4,700	13,113
		<u>11,060,369</u>	<u>10,278,246</u>

The financial statements were approved and authorised for issue by the Board of Trustees on **7 December 2021** and were signed below on its behalf by:


)
 D. Johns)

) Trustees
 A.L. Lee)

The notes on pages 16 to 27 form part of these financial statements.

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 AUGUST 2021

		2021	2020
		£	£
Cash flows from operating activities:			
Net cash provided by operating activities	16.A	1,731,996	1,035,009
Cash flows from investing activities:			
Bank interest		1,910	14,886
Purchase of tangible fixed assets		(1,002,527)	(456,909)
Net cash (used in) investing activities		(1,000,617)	(442,023)
Cash flows from financing activities:			
New borrowing		1,450,000	-
Repayments of borrowing		(420,289)	(445,651)
Net cash provided by / (used in) financing activities		1,029,711	(445,651)
Change in cash and cash equivalents in the reporting period		1,761,090	147,335
Cash and cash equivalents at the beginning of the reporting period		2,853,529	2,706,194
Cash and cash equivalents at the end of the reporting period	16.B	4,614,619	2,853,529

The notes on pages 16 to 27 form part of these financial statements.

1. CHARITABLE STATUS

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee and does not have any share capital. It was incorporated on 25 January 1979 (company number: 01411417) and registered as a charity on 20 February 1979 (charity number: 277324).

2. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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 statements are drawn up under the historical cost convention.

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis, in particular, the carrying value of the construction in progress totalling £1,696,923 (2020: £1,127,867). Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees, other than those identified above, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Going concern

As highlighted in the Report of the Trustees, having assessed the School's financial position, the plans for the foreseeable future, the risks to which the School is exposed and the detailed cash projections, the Trustees are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

The following principal accounting policies have been applied:

Income

All income is recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Fees and similar income

Fees receivable and charges for services and use of the premises are accounted for in the year in which the services are provided. Fees receivable are stated after deducting bursaries, scholarships and other remissions allowed by the School.

Registration fees are non-refundable and are credited to income when received.

Deposits are included as a liability until refunded or, on ceasing to be refundable, are credited to income.

Advance fees are credited to income as and when the fees fall due.

Rental and investment income

Rents are stated gross and are included on an accruals basis. Interest received represents gross interest derived from cash deposits held and credit balances and is accounted for on a receivable basis.

Donations and legacies and other voluntary income

All donations, legacies and other voluntary income are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Donations received for the general purposes of the School are credited to Unrestricted Funds. Donations subject to specific wishes of the donors are credited to the relevant Restricted Funds.

Government grants

The Coronavirus Job Retention Scheme (CJRS) results in cash payments from government to compensate employers for part of the wages, associated national insurance contributions (NICs) and employer pension contributions of employees who have been placed on furlough (i.e. placed on a temporary leave of absence from working for the employer). This is accounted for in accordance with Section 24 of FRS 102 and the performance model is used to recognise these grants.

Expenditure

Expenditure is accounted for on an accruals basis where there is a legal or constructive obligation to make a payment to a third party and the amount of the obligation can be measured reliably. Charitable expenditure represents the costs of running the School including salaries, catering, premises and welfare costs. Costs of raising funds include financing costs. Charitable expenditure is allocated to the appropriate headings relevant to the charitable activities on a direct basis. Support costs mainly represent office administration. Irrecoverable VAT is charged to the Statement of Financial Activities as incurred. Governance costs comprise the costs of running the School, including strategic planning for its future development, external audit, legal advice and all the costs of complying with constitutional and statutory requirements.

Operating leases

The annual rental for operating leases is charged to the Statement of Financial Activities on a straight line basis over the lease term.

Staff Benefits including pension costs

The School contributes to the following schemes:

- i. The School contributes to the Teachers' Pension Scheme. This is a multi-employer pension scheme and it is not possible to identify the School's share of the underlying assets and liabilities on a consistent and reasonable basis. Therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.
- ii. The School also operates a defined contribution scheme – Aviva pension scheme. Contributions to the plan are made in accordance with the rules of the plan and are charged to expenditure when they are payable.

Short term benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accruals basis and in accordance with FRS 102.

Funds

Restricted - where the purpose for which the funds may be used has been restricted by donors; and Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objects.

Fixed Assets

All assets purchased are included at their purchase price. Assets with a cost below £500 are not capitalised.

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation has been provided on the straight line method by reference to the anticipated useful lives of the assets concerned at the following rates:

Land	-	Not depreciated
Freehold property buildings	-	2% per annum
Property improvements	-	Up to 15 years
Motor vehicles	-	20% per annum
Plant, equipment and computers	-	20% to 25% per annum

No depreciation is charged to assets under construction.

Assets are reviewed for impairment on an annual basis and any charges are expensed to the Statement of Financial Activities.

Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and cash equivalents, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and cash equivalents is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, when applicable, are shown within current liabilities.

Debtors

Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Creditors

Creditors are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Deferred Consideration

Shrewsbury House School Trust Limited has agreed to pay a deferred consideration to The Corporation of King's College Wimbledon following the acquisition of The Rowans School on 31 July 2017. The deferred consideration has been discounted to present value and is shown under Creditors.

Bank borrowings

Liabilities for borrowings which are subject to a market rate of interest are measured at the value of the amount advanced, less capital repayments.

3. CHARITABLE ACTIVITY - SCHOOL FEES RECEIVABLE

	2021 £	2020 £
Gross school fees	9,339,020	9,297,921
Less: Covid-19 summer term discounts	(130,176)	(498,040)
	<u>9,208,844</u>	<u>8,799,881</u>
Less: Total bursaries, grants and allowances	(156,857)	(144,553)
	<u>9,051,987</u>	<u>8,655,328</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

4.	ANCILLARY INCOME				2021	2020
					£	£
	Registration fees				42,900	42,598
	School fees insurance				17,454	19,047
	School fees draw				19,964	21,049
	Extras				326,121	450,683
	Minibus charges				184,489	174,651
					<u>590,928</u>	<u>708,028</u>
5.	INCOME FROM VOLUNTARY SOURCES				2021	2020
					£	£
	Donations and grants				59,444	58,778
	Less: Hardship discounts offered to parents				(14,651)	(16,821)
					<u>44,793</u>	<u>41,957</u>
6.	ANALYSIS OF TOTAL EXPENDITURE	Staff Costs	Other	Depreciation	Total 2021	Total 2020
		£	£	£	£	£
	Costs of raising funds:					
	Financing costs	-	198,199	-	198,199	206,537
	Charitable activity:					
	Teaching	4,497,923	555,099	214,142	5,267,164	5,562,376
	Premises	359,386	1,019,799	514,098	1,893,283	2,176,452
	Welfare	-	382,653	-	382,653	340,378
	Support costs – other	1,047,643	232,482	-	1,280,125	1,320,343
	Support costs – governance	-	15,403	-	15,403	15,235
	Total	<u>5,904,952</u>	<u>2,403,635</u>	<u>728,240</u>	<u>9,036,827</u>	<u>9,621,321</u>
	2020 COMPARATIVES					
	ANALYSIS OF TOTAL EXPENDITURE	Staff Costs	Other	Depreciation	Total 2020	
		£	£	£	£	
	Costs of raising funds:					
	Financing costs	-	206,537	-	206,537	
	Charity activity:					
	Teaching	4,673,396	679,279	209,701	5,562,376	
	Premises	338,732	785,089	1,052,631	2,176,452	
	Welfare	-	340,378	-	340,378	
	Support costs – other	1,083,557	236,786	-	1,320,343	
	Support costs – governance	-	15,235	-	15,235	
	Total	<u>6,095,685</u>	<u>2,263,304</u>	<u>1,262,332</u>	<u>9,621,321</u>	

Support costs include the costs borne by the Charity for the administrative functions and include Compliance, Human Resources, Facilities, Finance, Information Technology, Marketing and Minibuses.

6. ANALYSIS OF TOTAL EXPENDITURE (Continued)

GOVERNANCE COSTS	2021 £	2020 £
Audit fees	15,050	15,050
Trustee expenses	353	185
	<u>15,403</u>	<u>15,235</u>

7. NET INCOME FOR THE YEAR

	2021 £	2020 £
This is stated after charging:		
- Auditors' remuneration - Audit (excluding VAT)	15,050	15,050
- Other fees (excluding VAT)	1,500	5,970
Operating leases (excluding VAT)	<u>134,956</u>	<u>132,111</u>

8. STAFF COSTS

	2021 £	2020 £
Wages and salaries	4,620,320	4,745,800
Social security costs	472,964	485,408
Other pension costs	778,520	806,180
Other staff costs	22,665	24,589
Redundancy and termination payments	<u>10,483</u>	<u>33,708</u>
	<u>5,904,952</u>	<u>6,095,685</u>

The average number of persons employed by the school during the year was:

	2021 Number	2020 Number
Teaching staff and teaching assistants	88	91
Support and other staff and gap students	38	38
Minibus drivers – part-time	<u>14</u>	<u>15</u>
	<u>140</u>	<u>144</u>

The number of employees who received emoluments and benefits in the following ranges were:

£60,001 - £70,000	10	9
£70,001 - £80,000	1	2
£80,001 - £90,000	2	1
£90,001 - £100,000	1	-
£100,001 - £110,000	-	1
£120,001 - £130,000	1	-
£160,001- £170,000	<u>-</u>	<u>1</u>

The school made employer's pension contributions totalling £219,107 (2020: £209,223) on behalf of the higher paid employees.

Aggregate employee benefits of key management personnel – Senior management team	<u>879,604</u>	<u>813,522</u>
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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

9. TANGIBLE FIXED ASSETS

	Freehold Property	Leasehold Property	Freehold Property Improvements	Construction In Progress	Equipment Computers and Vehicles	Total
	£	£	£	£	£	£
Cost or Valuation						
At 1 September 2020	14,126,728	-	3,748,121	2,146,030	1,923,231	21,944,110
Additions	-	82,350	173,730	569,056	177,391	1,002,527
Disposal	(105,656)	-	-	-	-	(105,656)
At 31 August 2021	14,021,072	82,350	3,921,851	2,715,086	2,100,622	22,840,981
Depreciation						
At 1 September 2020	2,815,833	-	1,526,698	1,018,163	1,453,288	6,813,982
Charge for the year	221,960	-	292,138	-	214,142	728,240
Disposal	(67,156)	-	-	-	-	(67,156)
At 31 August 2021	2,970,637	-	1,818,836	1,018,163	1,667,430	7,475,066
Net Book Value						
At 31 August 2021	11,050,435	82,350	2,103,015	1,696,923	433,192	15,365,915
At 31 August 2020	11,310,895	-	2,221,423	1,127,867	469,943	15,130,128

National Westminster Bank plc hold a first legal charge over the freehold property dated 19 July 1994 in respect of 107 Ditton Road, Surbiton, KT6 6RL.

Lloyds TSB Bank Plc hold a first legal charge over the freehold property dated September 2011 in respect of 22 Milbourne Lane, Esher, KT10 9EA.

Lloyds Bank plc hold a first legal charge over the freehold property dated 31 July 2017 in respect of 19 Drax Avenue, Wimbledon Common, London, SW20 0EG. Lloyds Bank plc also has a debenture dated 12 March 2021 in the form of a floating charge over all the properties of the Trust and a negative pledge.

The Corporation of King's College School holds a first legal charge over the freehold property dated 31 July 2017 in respect of 54 Ditton Road, Surbiton, KT6 6RB.

10. DEBTORS

	2021 £	2020 £
Due within one year:		
Trade debtors	24,784	16,787
Other debtors	34,863	82,632
Due from HMRC (VAT)	-	3,803
Prepayments	161,605	131,879
	221,252	235,101

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

11. CREDITORS: Amounts falling due within one year	2021	2020
	£	£
Bank loan (see note 13)	513,311	420,289
Deferred consideration	463,462	-
Trade creditors	404,918	263,709
Social security costs and other taxation	140,335	130,050
Other creditors	191,008	394,365
Accruals	313,497	149,218
Pupil deposits	200,682	188,436
Fees in advance	443,642	361,965
	<u>2,670,855</u>	<u>1,908,032</u>

12. CREDITORS: Amounts falling due after one year	2021	2020
	£	£
Bank loans (see note 13)	4,965,444	4,045,563
Deferred consideration	445,652	874,144
Pupil deposits	1,059,466	1,078,047
Other creditors	-	34,726
	<u>6,470,562</u>	<u>6,032,480</u>

Pupil deposits are refundable when a pupil leaves the school.

Shrewsbury House School Trust Limited has agreed to pay a deferred consideration to The Corporation of King's College Wimbledon following the acquisition of The Rowans School on 31 July 2017. An amount of £482,000 is payable on or before 31 July 2022 and a further £482,000 is payable on or before 31 July 2023. The total deferred consideration has been discounted to present value at a discount rate of 4%. An amount of £463,462 is shown under Creditors falling due within one year and £445,652 after one year.

13. BANK LOANS	2021	2020
	£	£
The bank loans are repayable by instalments		
Due after five years	2,063,420	2,446,602
Due within two to five years	2,017,755	1,167,505
Due within one to two years	884,269	431,456
	<u>4,965,444</u>	<u>4,045,563</u>
Due within one year (note 11)	513,311	420,289
	<u>5,478,755</u>	<u>4,465,852</u>

Shrewsbury House School Trust Limited has a bank loan with NatWest Bank which was taken out in March 2004. The current rate of interest paid is Base Rate plus 1% and the loan is repayable in termly instalments until May 2024 when the loan will be fully repaid.

Shrewsbury House School Trust Limited has a bank loan with Lloyds Bank which was drawn down on 31 July 2017. The current rate of interest paid on the loan is fixed at 4.12%. The loan is repayable in termly instalments starting in September 2019 until July 2032 when the loan will be fully repaid.

Shrewsbury House School Trust Limited has another bank loan, the Coronavirus Business Interruption Loan (CBIL) with Lloyds Bank which was drawn down on 17 May 2021. The current rate of interest paid is Base Rate plus 1.54%. The loan is repayable in monthly instalments starting June 2022 until May 2027 when the loan will be fully repaid.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

14. FUNDS	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2021 £
<i>Unrestricted fund:</i>					
General fund	10,265,133	9,797,937	9,033,354	25,953	11,055,669
<i>Restricted fund:</i>					
Infrastructure & equipment	3,700	15,775	3,473	(11,302)	4,700
Hardship fund	9,413	5,238	-	(14,651)	-
Total Restricted Fund	<u>13,113</u>	<u>21,013</u>	<u>3,473</u>	<u>(25,953)</u>	<u>4,700</u>
TOTAL FUNDS	<u><u>10,278,246</u></u>	<u><u>9,818,950</u></u>	<u><u>9,036,827</u></u>	<u><u>-</u></u>	<u><u>11,060,369</u></u>

The transfer of funds relates to donations spent on an adventure playground for children at SHPPS as well as infrastructure improvement works in line with the long term maintenance programmes across all three schools and support to parents as a result of the donations received towards the hardship fund.

2020 COMPARATIVES	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2020 £
<i>Unrestricted fund:</i>					
General fund	10,131,548	9,732,878	9,621,321	22,028	10,265,133
<i>Restricted fund:</i>					
Building Better donations	20,000	(10,000)	-	(10,000)	-
Infrastructure & equipment	-	20,728	-	(17,028)	3,700
Hardship fund	-	4,413	-	5,000	9,413
Total Restricted Fund	<u>20,000</u>	<u>15,141</u>	<u>-</u>	<u>(22,028)</u>	<u>13,113</u>
TOTAL FUNDS	<u><u>10,151,548</u></u>	<u><u>9,748,019</u></u>	<u><u>9,621,321</u></u>	<u><u>-</u></u>	<u><u>10,278,246</u></u>

15. NET ASSETS OF THE FUNDS	Fixed Assets £	Net current Assets £	Long term Liabilities £	Total £
Unrestricted fund	15,365,915	2,160,316	(6,470,562)	11,055,669
Restricted fund	-	4,700	-	4,700
TOTAL FUNDS	<u><u>15,365,915</u></u>	<u><u>2,165,016</u></u>	<u><u>(6,470,562)</u></u>	<u><u>11,060,369</u></u>
2020 COMPARATIVES				
	Assets £	Assets £	Liabilities £	Total £
Unrestricted fund	15,130,128	1,167,485	(6,032,480)	10,265,133
Restricted fund	-	13,113	-	13,113
TOTAL FUNDS	<u><u>15,130,128</u></u>	<u><u>1,180,598</u></u>	<u><u>(6,032,480)</u></u>	<u><u>10,278,246</u></u>

16. NOTES TO STATEMENT OF CASH FLOW

	2021	2020		
	£	£		
Reconciliation of net income to net cash flow from operating activities				
A. Net income for the reporting period (as per the Statement of Financial Activities)	782,123	126,698		
Adjustments for:				
Depreciation charges	728,240	674,169		
Impairment charges	-	588,163		
(Profit) / loss on disposal of fixed assets	(665)	1,484		
Bank interest	(1,910)	(14,886)		
Decrease in debtors	13,849	124,790		
Increase / (decrease) in creditors	210,359	(465,409)		
Net cash provided by operating activities	<u>1,731,996</u>	<u>1,035,009</u>		
B. Analysis of cash and cash equivalents				
Cash at bank and in hand	4,614,619	2,853,529		
Total cash and cash equivalents	<u>4,614,619</u>	<u>2,853,529</u>		
C. Analysis of changes in net debt	Balance at 1 September 2020	Cash-flows	Transfers	Balance at 31 August 2021
	£	£	£	£
Cash	2,853,529	1,761,090	-	4,614,619
Loans falling due within one year	(420,289)	(81,854)	(11,168)	(513,311)
Loans falling due after more than one year	(4,045,563)	(931,049)	11,168	(4,965,444)
TOTAL	<u>(1,612,323)</u>	<u>748,187</u>	<u>-</u>	<u>(864,136)</u>

17. PENSION COMMITMENTS

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £680,175 (2020: £709,367) and at year-end £67,510 (2020: £83,311) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable..

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June 2021 on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism review is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The Trust also contributed to a pension scheme administered by Aviva for non-teaching staff. The charge totalled £86,249 (2020: £85,536) and at year-end £12,618 (2020: £12,458) was accrued in respect of contributions to this scheme. The Trust also makes contributions towards the private scheme of a member of staff.

18. COMMITMENTS UNDER OPERATING LEASES & CAPITAL COMMITMENTS

	Assets other than land & buildings	
	2021	2020
	£	£
Due within one year	128,817	111,086
Due between one to five years	128,377	90,025
	<u>257,194</u>	<u>201,111</u>

Capital commitments contracted for but not provided in these accounts at 31 August 2021 were £680,703 (2020: £14,446) relating mainly to construction work for the access road to the sports facilities and the pavilion at Almshouse Lane in Chessington.

19. INDEMNITY INSURANCE

The company purchased insurance, at a cost of £798 (2020: £798) for the Trustees during the year to indemnify them against any liabilities arising as a result of negligence on the Charity's behalf.

20. RELATED PARTY TRANSACTIONS

No payments were made to Trustees during the year for reimbursement of expenses (2020: £Nil). Amounts paid directly to third parties on behalf of Trustees during the year amounted to £353 (2020: £399). These expenses consisted of training for Trustees. During the year, payments made by a Trustee towards school fees amounted to £10,237 (2020: £7,739). The amount billed by SHS to the Trustee was £7,859 (2020: £7,527). An amount of £322 (2020: £284) was billed to a company related to a Trustee for the hire of the Sports Hall. Payments made by the company were £322 (2020: £284).

During the year, the Shrewsbury Pre-Prep Parents Association (SPPA) donated an amount of £9,000 towards the Adventure Playground at SHPPS.

21. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted General Fund £	Restricted Fund £	Total 2020 £
INCOME FROM:				
Income from charitable activity				
School fees	3	8,655,328	-	8,655,328
Ancillary trading income	4	708,028	-	708,028
Other trading activities				
Rental and lettings income		49,296	-	49,296
Investment income				
Bank and other interest		14,886	-	14,886
Voluntary sources				
Grants and donations	5	26,816	15,141	41,957
Coronavirus Job Retention Scheme		265,018	-	265,018
Other Income				
Other Income		13,506	-	13,506
Total Income		<u>9,732,878</u>	<u>15,141</u>	<u>9,748,019</u>
EXPENDITURE:				
Costs of raising funds:				
Financing costs		206,537	-	206,537
Charitable activity:				
Education		9,414,784	-	9,414,784
Total Expenditure	6	<u>9,621,321</u>	<u>-</u>	<u>9,621,321</u>
NET INCOME		111,557	15,141	126,698
Transfers between funds		22,028	(22,028)	-
NET MOVEMENT IN FUNDS		133,585	(6,887)	126,698
Fund balance brought forward 1 September 2019		10,131,548	20,000	10,151,548
Fund balances carried forward at 31 August 2020	14	<u>10,265,133</u>	<u>13,113</u>	<u>10,278,246</u>

SHREWSBURY HOUSE SCHOOL TRUST LIMITED

England & Wales - Charity number 277324

Accounts

SHREWSBURY HOUSE SCHOOL TRUST LIMITED

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2020

Registered Company Number: 01411417

Registered Charity Number: 277324

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The Trustees, who are also the Directors of the Company for the purposes of company law, present their annual report, incorporating the strategic report and financial statements for the year ended 31 August 2020. The Trustees confirm that the financial statements comply with current statutory requirements, those of the governing documents and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" 2015.

REFERENCE AND ADMINISTRATIVE INFORMATION

Shrewsbury House School Trust Limited (The Trust) is a registered charity (number 277324). The legal status of the charity is a company limited by guarantee, without share capital, company number 01411417. The liability of each of the members of the company is limited to an amount not exceeding £5.

The Registered Office and principal address of the Company is 107 Ditton Road, Surbiton, Surrey, KT6 6RL, United Kingdom.

Trustees

The Trustees, who are also all members, have held office from 1 September 2019 to the date of this report, unless otherwise stated are as shown below:

D Johns	Chairman
A L Lee	Deputy Chairman
M A K Claeys	Appointed 15 January 2020
S Clarke	
P D Gibbon	Appointed 10 December 2019
V Laville	
J Le Grice	
C Linney	Resigned 16 March 2020
M Millard	Resigned 4 May 2020
I S Muir	Appointed 10 December 2019
D Sanders	
C Thorneycroft	
J Whittingham	Resigned 22 September 2020

Key Management Personnel

Executive Headmaster of Shrewsbury House School Trust,	Mr K. A. Doble
Headmaster of Shrewsbury House School	Mr J Akhurst
Head of Shrewsbury House Pre-Prep School	Ms J Hubbard
Head of The Rowans School	Mr P Dart
Director of Finance and Resources	Mr C Francis
Second Master	Mrs L Macallister
Deputy Head Academic	Mrs J Hand
Director of Communications and Compliance	

Professional Advisors

Bankers

National Westminster Bank plc	Lloyds TSB Bank Plc
5 Market Place	83 High Street
Kingston-upon-Thames	Walton-on-Thames
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STRATEGIC REPORT

AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

The main object of the charity, as set out in its Articles, is to promote and provide for the advancement of education including the provision of financial support to those who cannot afford to pay tuition fees, the use of the facilities of the schools to develop education and recreation for the local community and support for other educational charities and local state schools.

To achieve this, the Trust runs three independent fee paying day schools which seek to provide the best possible learning environment at Shrewsbury House Pre-Preparatory School (SHPPS) and The Rowans School (TR) for boys and girls aged between 3 and 7 and at Shrewsbury House School (SHS) for boys aged between 7 and 13, who have the potential for above average educational development. For every child the Trust aims to provide both an academic and broad education. This is intended to draw out pupils' abilities and academic potential, awaken and develop wider interests in life and motivate them for a successful and happy future. In particular, we aim to foster and encourage seven personal values and characteristics – namely happiness; compassion; resilience; determination; integrity; respect; and leadership.

The main objective of the Trustees is to ensure that all pupils are educated to the consistently high standard, which is a key element of the schools' ethos and historic traditions. This is achieved by maintaining a low pupil-to-teacher ratio and employing high quality, committed teachers and relevant support staff to facilitate the teaching and learning experience. The use of technology is a key enabler in delivering these results.

The principal activity of the Trust continues to be the provision of day schools for children aged between 3 and 13 years. In determining the Trust's objectives and planning its activities, careful consideration continues to be given to the Charity Commission's general guidance on public benefit. The Trust clearly aims to:

- Offer financial support through bursaries to those pupils who would thrive from the broad education offered by the Trust but whose parents are unable to afford the fees. In addition, we look for senior schools who would be prepared to continue financial support;
- Support local and overseas charities through fundraising activities;
- Play a part in supporting and assisting the local state schools in providing a broad education for their students;
- Play a part in the local community, be aware of the needs of our neighbours and to offer facilities and support where appropriate.

The Trust remains committed to working with the community and seeks to increase pupil numbers travelling to school by minibus or coach to minimise the impact on local traffic. Travel by bicycle is also encouraged as evidenced by the bicycle-financing scheme available to all staff and the busy cycle rack erected some years ago. SHS holds a Gold Star Award from Transport for London (TfL) for a comprehensive travel plan that demonstrates this commitment to minimising impact on local traffic. SHS is among the top 10% London schools which hold Gold Level awards. There are 90 schools and colleges in the borough and only five others have achieved Gold Level. Likewise, the sports facility at Almshouse Lane and also the swimming pool, sports hall, music rooms and theatre at Ditton Road continue to be available to the local community, with usage rising in the first quarter of the year only to be dampened by the more recent constraints brought about by COVID-19.

REVIEW OF ACTIVITIES AND PERFORMANCE FOR THE YEAR

Shrewsbury House School (SHS)

Whilst we will reflect on 2019-20 as being another very successful year for SHS, in line with other schools throughout the UK, we closed shortly before the end of the spring term to comply with Government directives relating to COVID-19, remaining open for only critical worker and vulnerable children.

At that point, 2019-20 was clearly shaping up to be another impressive year, with already a total of 11 scholarships achieved across academic, music, sport, drama and art to highly prestigious boarding and day schools. The academic year concluded for the class of 2020 without the boys completing their Common Entrance Examinations, although we have no doubt that had these examinations taken place, they too would have delivered a commendable set of results, including individual subject awards. Leavers' destinations remained an impressive list of the UK's leading day and boarding schools.

We have reworked our curriculum to be able to bring in an additional Year 3 class in the timetable, recalibrate English and Maths in Years 7 and 8, affording them more time in the timetable, redistribute lessons among staff, and introduce Problem Based Learning (PBL). PBL is project which presents a carousel of options for pupils in Years 3-6, enabling departments to 'bid' for the lesson for the term, in which they will be able to engage in cross-curricular work, or problem-solving, or use it for rehearsal time during plays, or English Speaking Board interview skills, Mindfulness and Mandarin.

Boys engaged in local inter-prep school competitions across many disciplines acquitting themselves consistently well against their peers. The enthusiasm to engage in voluntary internal competitions abounded, including magnificent pyramid, Greek Temple and river basin models, as well as house writing contributions. Very good performances were evident in the Townsend Warner History Competition and the UK Mathematics Challenge.

The establishment of the School's first Eco Committee was greeted with much enthusiasm with many pupils applying to represent their Year Group on the Committee. Some superb ideas followed, the majority of which are still developing to full fruition, with much focus on reducing plastic usage and increasing recycling opportunities. The whole School engaged in the 'Switch and Save' campaign encouraging all lights and other equipment to be turned off at the end of the day whilst excellent plans were formed to maximise the biodiversity in green spaces around the school grounds. The School Council continued to provide pupil voice on various important aspects of school life.

It has been another memorable year for music at SHS, recording very successful AB results across a wide range of instruments. The Music department continues to go from strength-to-strength in the breadth and range of events that are available to the boys. Events such as the annual House Music Competition, Year group concerts and the Spring Concert continue to be extremely successful occasions, at which the impressive musical capabilities of pupils are well displayed. The introduction of the Autumn Term Cecilia Concert provided our talented groups with an additional opportunity to perform. We were delighted to welcome four infant and Pre-Prep Schools to the Year One Music Festival: Long Ditton Infant and Nursery School, The Merlin, The Rowans School and Shrewsbury House Pre-Preparatory School. Despite the impact of COVID-19 on School events in the last week of the spring term and the summer term, the autumn and spring terms brought drama and music opportunities for all year groups to perform, including at the very engaging all-school events of the autumn term, the Harvest Festival and the Carol Service. The extensive music provision at SHS also led to two Music Scholarships for Year 8 boys. External performances included the Barnardo's Charity Concert at the Royal Albert Hall and the Surrey Schools Concert, in aid of the Children's Trust. Much joy was shared as the SHS singers performed Christmas Carols in three local care homes. Exceptional LAMDA (London Academy of Music and Dramatic Arts) and ESB (English Speaking Board) results also developed the boys' performing arts skills across the board.

In terms of sport, the number of festivals and tournaments in the spring term were reduced as each host school made their own COVID-19 risk management decisions. Nevertheless hundreds of fixtures were played across the first two terms of the year. SHS hosted a successful football tournament right at the beginning of the academic year, along with two rugby tournament at the start of the Spring Term. The football teams acquitted themselves well in the autumn term gaining silverware, as well as narrowly missing victory in other finals. Success abounded in the first rugby tournament of the term, but certainly, in the latter stages of the term, many opportunities for further engagement were paused as COVID-19 risk assessments by host schools led to the inevitable cancellation of inter-school. 2019-20 remains a year when we are superbly proud of the breadth and opportunity offered by the Sports department, including successes in hockey tournaments, shooting tournaments, rowing regattas, our Swim Squad and the re-introduction of Ski Racing as a further opportunity.

Curricular enriching day trips were enjoyed, including outings to the Houses of Parliament, Tate Modern, the Mary Rose, RHS Wisley Gardens and Butser Ancient Farm. A pre-term football tour to Valencia was a most fulfilling experience, whilst an unforgettable and spectacular Geography trip to Iceland was enjoyed by a large group of senior boys and the February half term Ski Trip continued to be a firm favourite amongst SHS families.

Years 5-8 thoroughly enjoyed Conn Iggulden's visit to promote his latest offering of 'The Double Dangerous Book for Boys'. Two history talks were also enjoyed by a large audience including pupils, siblings, parents, old boys and members of the local community, from Linda Parker 'Airborne Chaplains of the Second World War' and Squadron Leader Bob Tuxford, AFC, TP, RAF (retired) on Operation 'Black Buck One' in the Falklands War.

The School responded robustly to the need to develop a comprehensive distance-learning curriculum for all boys throughout the summer term, whilst Critical Worker and Vulnerable children attended school, also participating in the same distance learning lessons. From June 3rd, the School welcomed back Year 6 and from 22nd June, each year group

was given the opportunity to return on a rotational basis. Year 8 enjoyed a full and rich Leavers' Programme and we were delighted to extend them a socially distanced prize giving to mark their exit from the world of Prep School education.

The impact of COVID-19 was sudden and dramatic, and required swift and deep changes to the running of the Trust and, especially, the educational delivery for pupils as we approached lock-down. In a matter of days, staff and pupils were trained in using Seesaw (in SHPPS and TR), Google Meets, Google Classroom, Google Docs and Google Drive (in SHS), as well as in employing IT to engage with pupils, colleagues and parents, upload work, understand how to assess and grade it effectively, as well as communicate with each other by video conferencing. Online video conference meetings became the norm, as did videoed assemblies and recorded sports, music, art and cultural sessions. Parents, staff and pupils were surveyed on the online provision and gradual shifts and changes to the schools' delivery were implemented as a consequence. The building of 'living' risk assessments and significant changes to the sites and regimes of the day allowed all three schools to welcome pupils back on sites, albeit on rota systems. Senior staff worked throughout the Easter holidays, the summer half term break and the summer holidays to prepare for the new 2020 academic year.

Over the course of the year, the School has also supported a number of charities including the Institute for Music and Indigenous Arts Development (IMAD) in South Africa, CONVERSION; a charity recycling children's sports shoes in the UK to Laos, Kingston Churches Action on Homelessness, the Kingston Foodbank, Macmillan Cancer Support, Momentum Children's Charity and SPEAR, a local charity which works for the homeless, the RNLI, the British Red Cross and the Marine Conservation Society. A group of staff and parents from the SHS community completed an Alpine Challenge, raising an amazing £35k and the money raised was presented to Child Bereavement UK. SHS donated a considerable number of textbooks and reading books Nightingale Community Academy.

The SHS Old Boys' Society (SHOBS) continues to maintain connections between the School and its former pupils. Various SHOBS-related visits to the School have taken place and SHOBS are invited to talk to Year 8 boys about their transition from Prep to senior schools to help allay any anxieties that boys might have about moving on. In addition, this year, older SHOBS returned to share university experiences.

The Shrewsbury House Association (SHA), constituted by a committee of parents, representing the parent body, continues to support the School in a variety of ways, providing a valuable social network for SHS parents. The annual SHA Quiz Night and Sportsman's dinner were very well attended and thoroughly enjoyed by parents. Pupils have particularly enjoyed the generous donation of the Adventure Playground from the SHA at the beginning of this academic year.

The Rowans School (TR)

TR has enjoyed a very successful year, gaining an ArtsMark Award in recognition of our emphasis on Arts and Culture in our curriculum. LAMDA results were exceptionally strong with 100% pass rate of merit or above and 60% at distinction level. We retained our Gold Travel Award from TfL and our Junior Travel Ambassadors have worked with parents and the local community to promote safe and sustainable travel. We have become a National Online Safety accredited school and work with parents, staff and children to educate our community about internet safety. This was a strong feature of our successful distance learning provision where we launched a comprehensive online learning platform for each age group during lockdown. Sport has continued to be an area of strength with fixtures played in each year group and inter-house competitions being keenly contested for the House Cup. Sporting activities and challenges also continued during lockdown alongside a focus on mental health and well-being.

We are planning improvements to the infrastructure at TR having very recently secured planning approval from the London Borough of Merton for two single storey extensions.

Shrewsbury House Pre-Prep School (SHPPS)

Despite the challenges of COVID-19 with the School site closed for a period during the year, and reopening in June with restricted provision, SHPPS enjoyed a successful year, building on its reputation as a school that goes the extra mile for each individual child. Each child is encouraged to reach their own potential, with tailored learning and individual intervention significant features of education at SHPPS. Our online learning system introduced across the School during lockdown was extremely successful, being innovative, thorough and engaging. A new School Values system was introduced, with Teamwork, Resilience, Aspiration, Care and Kindness forming our now well-embedded TRACK Values. The School provides a caring, nurturing environment, where children feel loved, allowing them to express themselves without fear of failure and to thrive by being appropriately challenged, encouraging them to aspire to achieve their very best. SHPPS' provision goes beyond the daily curriculum, with a wide array of clubs and activities, covering many different areas of interest, encouraging the children to engage in a broad range of pursuits. Our wraparound care programme has been significantly extended over the year and we launched our first, very successful Holiday Club scheme.

A brand new playground was installed in the summer of 2020, featuring a safe all-weather surface and new play equipment, with our active Parents' Association' pledge to contribute a significant funding to the project. Engagement with the local community continues to grow, including through support of the chosen charity for the year, CHEER, and involvement in the Claygate Arts Festival and Village Association.

FUNDRAISING

All fundraising activity across the Trust is managed in an open and transparent fashion with the clear objective of being respectful, responsible and accountable so that potential and existing supporters of our work have complete confidence in their giving to the Trust. There were no complaints received by the Trust during the reporting period about its fundraising practices.

We are grateful to the generosity of a number of parents who donated towards the hardship fund set up during the summer term to support other parents who were facing hardships as a result of the pandemic. We are equally grateful to a number of other parents who have donated towards the infrastructure of the schools.

FINANCIAL RESULTS AND RESERVES POLICY

SHS and TR continue to see strong pupil numbers. At SHPPS, we are beginning to see less of a decline in pupil numbers. The Board and Senior Management considered a number of options to improve the financial position of SHPPS and a restructuring plan was implemented during the summer. This impacted on a number of staff at SHPPS as we sought to ensure that the teaching team was streamlined. The plan will allow the school to be financially sustainable in the longer term.

Net income of the Trust for the year amounting to £126,698 (2019: £776,706) has been added to the accumulated reserves. As a result of the pandemic, the Trust's income was severely impacted. It discounted its schools' fees by an average of 16% for the summer term resulting in a £498,040 reduction in income; ancillary income reduced by £285,401 caused by loss of minibuses charges, clubs and trips' income; rental income reduced by £14,242 compared to the prior year. These were offset by the grant received from HMRC of £265,018 as a result of the claim under the Coronavirus Job Retention Scheme (CJRS). However, there were savings against the prior year in areas such as ancillary activities, catering, premises and cleaning. When compared to the performance in the autumn and spring terms, the Trust lost circa £138,000 in net income during the summer term. In addition, the fall in net income is due to an impairment charge as a result of the write off of design fees following changes to the design of the building programme at SHS. This has clearly had an impact on the declared surplus, although no cash impact in the current financial year.

The Board continues to plan to create net income every year, which is added to reserves to enable reinvestment in the future to meet the objectives of the Trust's capital development plans. The funds at the year-end totalled £10,278,246 (2019: £10,151,548) which included £10,265,133 of unrestricted funds (2019: £10,131,548) and £13,113 of restricted funds (2019: £20,000). The restricted fund represents the hardship fund and an infrastructure & equipment fund, which relates to the Trust's development programme to upgrade its facilities.

The Board continues to monitor the financial risks impacting on the Trust to ensure that it continues to meet its charitable objectives, remains financially sustainable and a going concern. Its long term cash flow is being stress-tested and reviewed periodically. The Board does not see any indication that the Trust is unable to meet its future obligations as they fall due.

PUBLIC BENEFIT

The Trust has adopted a multi-faceted approach to Public Benefit as is reflected in its Articles. The Trust is committed to providing bursaries to those families whose children, whilst being of the ability and personality to thrive at the School, may not have the means to be able to afford to send their children here. Fundamental to the Bursary policy, enshrined in the School's ethos, is that the child is placed first and the parents' means second. The approach to bursaries covers new and existing pupils and has been used to provide financial assistance in the event of unforeseen financial difficulties which have been faced by existing parents. Bursaries are normally awarded each academic year, but can, in exceptional circumstances, be granted during the course of the year. These bursaries are means-tested and as a maximum can amount up to full fees together with additional extras.

Further details are included in the "About us" section of the School's website and interested parents should contact the School for additional information. Currently 4 pupils hold means tested bursaries, varying in value from 25% to 100% of

annual fees. In total terms, concessions inclusive of staff fee discounts, have been accorded to 19 pupils at a cost to the Trust of £144,553 (2019: £139,215).

The Trust aims to use school facilities to conduct education and recreation for the local community. SHS enjoys a long standing partnership with St. Matthew's Church of England Primary School, which enables pupils from St. Matthew's to benefit from use of the SHS swimming pool and coaching on a weekly basis for which no charge for the use of the facility is made. Another local primary school have also been regular visitors to our swimming pool facility this year, with Tolworth Junior School coming to site for swimming lessons for which the facility is offered free of charge. Interest in this facility remains high with other local schools waiting for available slots.

Nearly one hundred and twenty children from St Mary's Long Ditton Junior School, St Matthew's Church of England School and Malden Manor School joined us for our annual Primary Festival of Sport in September 2019, which enabled children to take part in a wide range of sports at SHS under the direction of our Games Department. We have offered this programme because we believe that sport sessions offer easily recognisable and tangible outcomes for all pupils. Sessions can be easily adapted and coaching differentiated by task and outcome. In particular, the programme focuses upon sports that pupils might not ordinarily get to try at their school such as cricket and rugby. SHS has also been happy to arrange sport fixtures against local schools or clubs.

Furthermore, local Performing Arts School, Dance Shack, moved all their Surbiton based classes to SHS on Saturday mornings and their Summer School to our Ditton Road site. Two groups continue to make use of the music facilities, including Kingston Music and Arts Service; four groups enjoy use of the Sports Hall or Sports facilities, including AFC Wimbledon Ladies, Chessington Cricket Club, Fontana Soccer who run elite football programmes and a local 'Pickle Ball' group. In November we were pleased to welcome St. Matthew's Church who chose our venue for their annual away day; this took place in the Library and we hope will become an annual booking. There was continued usage of the pitches at Almshouse Lane, with Esher Cricket Club making use of the facilities. Neighbours are encouraged to use our on-site parking facilities when parking in the Lane is limited. Minibus transport was also provided locally to Scout and church groups. The overwhelming majority of these uses were provided free of charge. The Trust welcomes, subject to availability, enquiries from interested groups and organisations. The interest in the use of our facilities has grown significantly, with much interest from local clubs for pitch hire for the upcoming cricket season in summer 2021. Premier League side Fulham Football Club, who hired Almshouse in 2018, have approached SHS to explore the potential of a longer-term partnership. The development of the Almshouse Lane site would include the implementation of a Community Use Agreement that is likely to encourage further interest.

Dance Shack will also be starting up new classes on Wednesday evenings based at SHPPS; this is for not only the boys and girls of SHPPS, but also the wider community of Esher/Claygate. Esher Tennis club (ETC) made use of the sports field and Pavilion during the summer for their own holiday courses. ETC are keen to make this a more regular booking going forward and are potentially looking into a partnership with the School.

The Trust supports, endorses and facilitates several public policy engagements of the Executive Headmaster, Kevin Doble. Mr Doble regularly represents the Trust and the Independent Sector as a whole in various capacities (currently serving as Chairman of the Independent Schools Council (ISC) Cross Association Sports Committee), thus ensuring that the Trust is fully briefed on current topical developments in the education sector.

PLANS FOR THE FUTURE

As indicated previously, we have secured planning consent for the master plans submitted on all three sites from both the Royal Borough of Kingston (RBK) and the Elmbridge Borough Council. However, given the continuing uncertain economic landscape, exacerbated by the COVID-19 pandemic, the Trustees have continued to pause the development options at 107 Ditton Road for the time being. The value engineering changes with minor design modifications are with RBK relative to approve the planning consent amendments required. The Board will continue to review the precise timing of the commencement of works, given the not inconsiderable lack of certainty on the way forward economically as well as progress made to arrest the pandemic.

Discussions with Merlin Enterprises regarding improved access to our sports facility at Almshouse Lane in Chessington continue, but understandably have been hampered by the impact that the pandemic has brought in terms of their own business, both nationally and internationally.

The Trust continues to invest significantly in ensuring that the IT infrastructure and hardware in all our schools are fit for purpose and create the enabling learning environment needed to equip our pupils in a fast changing technological world. The delivery of the distance-learning curriculum during the summer of 2020 has allowed the Trust to have a robust platform in the event of another lockdown.

Further to the established Building Better Programme, capital development plans at TR include the enhancement of teaching and assembly accommodation. As mentioned earlier permission for the scheme has now been granted by the local authority in Merton, but no definitive commencement date has yet been set.

The significant increase of 43.7% in the cost of employer contributions to the Teachers' Pension Scheme (TPS) with effect from September 2019 has been the subject of widespread debate having resulted in a number of independent schools terminating their membership of the TPS. The Board continues to gather information and is working closely with a number of professional advisers to ensure that all options are carefully considered before a final decision is made, which will involve further close consultation with all teaching staff.

Efforts to increase pupil numbers at SHPPS continue with both senior management and the Board looking for ways to work with prospective parents to encourage them in sending their children to SHPPS, which has great facilities. There are early signs of increasing levels of interest, but this continues to be challenging given the impact of COVID-19.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Governors is responsible for the management of all risks faced by the Trust. Governors are assisted in this by the Trust Executive Committee. Risks are identified, assessed and controls established to mitigate the risks identified. The Trust's Risk Register is reviewed by the Legal & Estates Committee on a termly basis and a summary tabled to the Board.

The principal risks identified by the Governors are categorised under the following headings:

- External factors including political, environmental, legal and regulatory and economic;
- Financial;
- Operational;
- Compliance;
- Human Resources;
- Governance.

External factors

The Trust is constantly assessing the effects of the changes in political and economic factors that may affect the operation of the schools and delivery of its offering in the short, medium and longer term. The Legal & Estates Committee is tasked with identifying and assessing any potential risks. The Finance Committee, in conjunction with the Director of Finance & Resources, is responsible for developing financial models that will be put in place should circumstances dictate. These models are tested on a regular basis. The Strategy Committee is responsible for setting the strategic direction of the Trust.

There are, however, factors, which are outside the control of the Trust, current examples of which are the impact of Brexit and the Covid-19 pandemic. We are monitoring the final details of the Brexit agreement and considering the potential impact on visa requirements and other key matters such as data processing when the agreement is finally published. The Trust continues to follow government guidance with regards to restrictions and preventative measures as a result of the pandemic. Parents and staff continue to receive timely communications on the processes to follow in the event of a positive test or Covid-19 related symptoms. In addition, comprehensive risk assessments have been developed and published on each of the schools' websites, all of which evidence a robust consultation process. The potential impact of these are being closely monitored by the Board of Governors, Legal & Estates Committee and the Trust Executive Committee. These range from the stress-testing of the Trust's IT systems to sensitivity analysis of the finances including pupil numbers. Parents' ability to continue paying the schools' fees are being monitored as part of the fee collection process and the Trust continues to look for indicators of financial hardship and offer assistance where possible.

Financial

There is a risk that the lack of growth in pupil numbers may not be sufficient to maintain the Trust's Development Plan. To mitigate this risk, the Trust produces a 10-year cash flow projection which is reviewed at least termly. This is supported by bank borrowing which the Trust has contracted to repay over 12 years.

Another key risk is the expected increase in employer's contributions to the Teachers' Pension Scheme. Employer contribution rates increased from 16.48% to 23.68% from 1 September 2019, an increase of 43.7%. This has had a significant impact on the 2019-20 performance. There is a very strong likelihood that employer contributions will further increase by another 25% to 30% from September 2023. Measures to mitigate the financial impact of this increase are constantly being reviewed by the Board of Governors.

Operational

Educational success across the curriculum demands employing committed staff with current, up-to-date teaching and learning facilities to ensure that pupils are able to progress in a learning-friendly environment. This risk is managed by partnering with parents, encouraging regular communication as the child progresses, combining attractive salaries and on-going investment in the estate and infrastructure.

Compliance

The Trust's success has been built upon its reputation for the education and wellbeing of its pupils and this risk is managed through the regular monitoring of safeguarding policies, staff recruitment policies, pastoral support for both pupils and staff and active identification and resolution of health and safety related issues.

The Trust also takes its compliance with General Data Protection Regulations (GDPR) and UK Data Protection Regulations very seriously. All staff are briefed in how to minimise the risk of losses or accidental release of personal data.

Human Resources

Recruitment of high quality staff is a top priority for the Trust Executive Committee. The terms and conditions for teaching staff are reviewed regularly to ensure that these are in line with those of similar independent schools. A full programme of staff development is in place to ensure that staff are kept abreast of the best possible practice and they have scope to develop their experience whilst at the Trust.

Governance

Details of the recruitment, training, skills and structure of the Board of Governors and its sub-Committees are provided under the 'Structure, Governance and Management' section.

Key controls used by the School to manage risk include:

- Formal agendas for all Committee and Board activity;
- Detailed Terms of Reference for all Committees;
- Comprehensive strategic planning, budgeting and management accounting information;
- Established organisational structure and lines of reporting;
- Formal written policies on all aspects of activity;
- Vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the Trust, the Governors are satisfied that the major risks identified have been adequately mitigated where possible. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The governing document of the Trust is its Articles of Association.

Governing Body

The Trust is administered by a Board of Governors whose members are also Directors of the Company (herein referred to as "Trustees"). The Trustees meet regularly in the manner prescribed in the Articles of Association and meet as a full board once a term. The sub-committees, Strategy, which sets the strategic direction of the Trust, Education and Legal & Estates meet at least once a term and the Finance Committee meets more frequently in line with the financial planning and results cycle. During the pandemic, there were extra-ordinary Trustee meetings to discuss and manage the various

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020

risks facing the Trust to ensure it continues to provide the best education and support parents facing financial hardship where possible. Over lockdown, several Extraordinary Governors Meetings were held to discuss and agree on a plan to provide support for parents who were suffering hardship as a consequence of the pandemic. In consultation with the Executive, the Governors also implemented a 15% discount to the school fees for the summer term, as well as announced that fees would be frozen into the following academic year. One third of the members of the Board retire every year and are eligible for re-election. The Trustees are authorised to appoint new members provided they do not exceed the maximum of 15 prescribed by the Articles of Association. The Board aims to recruit Trustees who have a range of specialist skills, in order to maintain a strong balance of expertise. Current members include experts in education, financial management, law, banking, property and estates, risk and insurance. Trustees are recruited from contacts of the Board and the Executive Headmaster. No Trustee has any beneficial interest in the company.

Trustee Induction and Training

All new Trustees receive an induction pack, which explains their role, the role of the Board, and details of Charity Commission and Companies House requirements. They are also given background information on previous Board decisions, Board papers and general information about the schools. The new Governors' Induction Programme includes meeting with the Executive Headmaster, the Designated Safeguarding Leads, and the Clerk to the Governors to ensure that there is a thorough understanding of how the schools fulfil their regulatory obligations. All Governors are informed of relevant courses available to them throughout the year, including courses and conferences run by the ISI, AGBIS, IAPS, the ISBA, the ISC and our auditors.

Organisation and Management

The Trustees determine the general policy of the Trust, meeting each term to receive reports from the Heads of each school and the Chairs of the sub-committees.

The Education Committee reviews all matters relating to the delivery of the curricula within each school and policies which are entirely pupil centred. The Legal & Estates Committee reviews a wide range of topics which include estates development, health, safety and welfare, supplier and staff contractual matters, general regulatory matters, complaints and the single central register of appointments. The Finance Committee reviews the Trust's on-going financial position, approves recommendations from the other Committees for development projects, prior to seeking main board approval and manages at an executive level the budgets of the Trust, including remuneration policy and fee levels which are also approved by the main Board.

Key Management Personnel

The day-to-day running of the Trust is delegated to the Executive Headmaster and the Director of Finance and Resources. They are supported by the Trust Executive Committee (TEC) and the Governors; together this group are the key management personnel, as set out on page 1 to the accounts.

The Governors give of their time freely and the remuneration of the senior staff is set by the Finance Committee and kept under annual review. The Executive Headmaster's remuneration is also reviewed annually, but by the Chairman and Deputy Chairman who submit their proposals for consideration to the full Board of Governors. A number of criteria are used in reviewing and setting pay:

- The nature of the role and breadth of responsibilities;
- Participation in salary surveys providing a range of relevant comparable data;
- Competitor salaries in the region where this is available;
- Overall trends in pay.

Group Structure and Relationships

The Trust is the corporate structure through which the schools are organised and managed. There is an Executive Headmaster, who is also the Headmaster of SHS in Surbiton, a Head who manages the affairs of SHPPS in Esher and a Head who manages the affairs of TR in Wimbledon.

SHS benefits from the support of the Shrewsbury House Association (SHA), SHPPS from the support of Shrewsbury Pre-Preparatory Association (SPPA) and TR from the support of Friends of The Rowans. These bodies are organised by representatives of the parents, which raise funds to provide additional benefits to the pupils.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Shrewsbury House School Trust Limited for the purpose of Company Law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year which 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 Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that 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.

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information and to establish that the auditor is aware of that information.

ON BEHALF OF THE BOARD

The Trustees' Report incorporating the Strategic Report was approved and authorised for issue by the Board of Trustees on 08 December 2020 and signed on their behalf by:

Darren Johns

.....

D. Johns

A L Lee

.....

A. L. Lee

Opinion

We have audited the financial statements of Shrewsbury House School Trust Limited for the year ended 31 August 2020 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of the charitable company's net movement in funds, including the 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 10, 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.

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

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Trustees have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees (which incorporates the strategic report and 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 by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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.



.....
Tracey Young (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

09/12/2020
Date:

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020
(incorporating income and expenditure account)

	Notes	Unrestricted General Fund £	Restricted Fund £	Total 2020 £	Total 2019 £
INCOME FROM:					
Income from charitable activity					
School fees	3	8,655,328	-	8,655,328	8,967,387
Ancillary trading income	4	708,028	-	708,028	993,429
Other trading activities					
Rental income		49,296	-	49,296	63,538
Investment income					
Bank and other interest		14,886	-	14,886	13,029
Voluntary sources					
Grants and donations	5	26,816	15,141	41,957	52,490
Coronavirus Job Retention Scheme		265,018	-	265,018	-
Other Income					
Surplus on sale of assets		-	-	-	12,167
Other Income		13,506	-	13,506	-
Total Income		<u>9,732,878</u>	<u>15,141</u>	<u>9,748,019</u>	<u>10,102,040</u>
EXPENDITURE:					
Costs of raising funds:					
Financing costs		206,537	-	206,537	188,794
Charitable activity:					
Education		9,414,784	-	9,414,784	9,136,540
Total Expenditure	6	<u>9,621,321</u>	<u>-</u>	<u>9,621,321</u>	<u>9,325,334</u>
NET INCOME		111,557	15,141	126,698	776,706
Transfers between funds		<u>22,028</u>	<u>(22,028)</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		133,585	(6,887)	126,698	776,706
Fund balance brought forward 1 September		10,131,548	20,000	10,151,548	9,374,842
Fund balances carried forward at 31 August	14	<u>10,265,133</u>	<u>13,113</u>	<u>10,278,246</u>	<u>10,151,548</u>

The results for the year and the prior year are derived from continuing activities.

The comparative statement of financial activities is note 21.

The notes on pages 16 to 27 form part of these financial statements.

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	9	15,130,128	15,937,035
Current assets			
Debtors	10	235,101	359,891
Cash at bank		2,853,529	2,706,194
		<u>3,088,630</u>	<u>3,066,085</u>
Current liabilities			
Creditors – due within one year	11	<u>(1,908,032)</u>	<u>(2,312,547)</u>
Net current assets		1,180,598	753,538
Total assets less current liabilities		16,310,726	16,690,573
Creditors – due after more than one year	12	<u>(6,032,480)</u>	<u>(6,539,025)</u>
Net assets		<u>10,278,246</u>	<u>10,151,548</u>
Represented by:			
Unrestricted funds	14	10,265,133	10,131,548
Restricted funds	14	13,113	20,000
		<u>10,278,246</u>	<u>10,151,548</u>

The financial statements were approved and authorised for issue by the Board of Trustees on **8 December 2020** and were signed below on its behalf by:

Darren Johns
)
 D. Johns)
)
A.L. Lee) Trustees
)
 A.L. Lee)

The notes on pages 16 to 27 form part of these financial statements.

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 AUGUST 2020

	2020	2019
	£	£
Cash flows from operating activities:		
<i>Net cash provided by operating activities</i>	16.A 1,035,009	1,621,833
Cash flows from investing activities:		
Bank interest	14,886	13,029
Proceeds from sale of property, plant and equipment	-	12,167
Purchase of tangible fixed assets	(456,909)	(416,701)
<i>Net cash (used in) investing activities</i>	(442,023)	(391,505)
Cash flows from financing activities:		
Repayments of borrowing	(445,651)	(261,076)
<i>Net cash (used in) financing activities</i>	(445,651)	(261,076)
<i>Change in cash and cash equivalents in the reporting period</i>	147,335	969,252
Cash and cash equivalents at the beginning of the reporting period	2,706,194	1,736,942
Cash and cash equivalents at the end of the reporting period	16.B 2,853,529	2,706,194

The notes on pages 16 to 27 form part of these financial statements.

1. CHARITABLE STATUS

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee and does not have any share capital. It was incorporated on 25 January 1979 (company number: 01411417) and registered as a charity on 20 February 1979 (charity number: 277324).

2. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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 statements are drawn up under the historical cost convention.

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis, in particular, the carrying value of the construction in progress totalling £1,127,867 (2019: £1,628,971). Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees, other than those identified above, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Going concern

As highlighted in the Report of the Trustees, having assessed the School's financial position, the plans for the foreseeable future, the risks to which the School is exposed and the detailed cash projections, the Trustees are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

The following principal accounting policies have been applied:

Income

All income is recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Fees and similar income

Fees receivable and charges for services and use of the premises are accounted for in the year in which the services are provided. Fees receivable are stated after deducting bursaries, scholarships and other remissions allowed by the School.

Registration fees are non-refundable and are credited to income when received.

Deposits are included as a liability until refunded or, on ceasing to be refundable, are credited to income.

Advance fees are credited to income as and when the fees fall due.

Rental and investment income

Rents are stated gross and are included on an accruals basis. Interest received represents gross interest derived from cash deposits held and credit balances and is accounted for on a receivable basis.

Donations and legacies and other voluntary income

All donations, legacies and other voluntary income are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Donations received for the general purposes of the School are credited to Unrestricted Funds. Donations subject to specific wishes of the donors are credited to the relevant Restricted Funds.

Government grants

The Coronavirus Job Retention Scheme (CJRS) results in cash payments from government to compensate employers for part of the wages, associated national insurance contributions (NICs) and employer pension contributions of employees who have been placed on furlough (i.e. placed on a temporary leave of absence from working for the employer). This is accounted for in accordance with Section 24 of FRS 102 and the performance model is used to recognise these grants.

Expenditure

Expenditure is accounted for on an accruals basis where there is a legal or constructive obligation to make a payment to a third party and the amount of the obligation can be measured reliably. Charitable expenditure represents the costs of running the School including salaries, catering, premises and welfare costs. Costs of raising funds include financing costs. Charitable expenditure is allocated to the appropriate headings relevant to the charitable activities on a direct basis. Support costs mainly represent office administration. Irrecoverable VAT is charged to the Statement of Financial Activities as incurred. Governance costs comprise the costs of running the School, including strategic planning for its future development, external audit, legal advice and all the costs of complying with constitutional and statutory requirements.

Operating leases

The annual rental for operating leases is charged to the Statement of Financial Activities on a straight line basis over the lease term.

Staff Benefits including pension costs

The School contributes to the following schemes:

- i. The School contributes to the Teachers' Pension Scheme. This is a multi-employer pension scheme and it is not possible to identify the School's share of the underlying assets and liabilities on a consistent and reasonable basis. Therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.
- ii. The School also operates a defined contribution scheme – Aviva pension scheme. Contributions to the plan are made in accordance with the rules of the plan and are charged to expenditure when they are payable.

Short term benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accruals basis and in accordance with FRS 102.

Funds

Restricted - where the purpose for which the funds may be used has been restricted by donors; and Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objects.

Fixed Assets

All assets purchased are included at their purchase price. Assets with a cost below £500 are not capitalised.

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation has been provided on the straight line method by reference to the anticipated useful lives of the assets concerned at the following rates:

Land	-	Not depreciated
Freehold property buildings	-	2% per annum
Property improvements	-	Up to 15 years
Motor vehicles	-	20% per annum
Plant, equipment and computers	-	20% to 25% per annum

No depreciation is charged to assets under construction.

Assets are reviewed for impairment on an annual basis and any charges are expensed to the Statement of Financial Activities.

Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and cash equivalents, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and cash equivalents is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, when applicable, are shown within current liabilities.

Debtors

Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Creditors

Creditors are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Deferred Consideration

Shrewsbury House School Trust Limited has agreed to pay a deferred consideration to The Corporation of King's College Wimbledon following the acquisition of The Rowans School on 31 July 2017. The deferred consideration has been discounted to present value and is shown under Creditors (falling due after one year).

Bank borrowings

Liabilities for borrowings which are subject to a market rate of interest are measured at the value of the amount advanced, less capital repayments.

3. CHARITABLE ACTIVITY - SCHOOL FEES RECEIVABLE

	2020	2019
	£	£
Gross school fees	9,297,921	9,106,602
Less: Covid-19 summer term discounts	(498,040)	-
	<hr/>	<hr/>
	8,799,881	9,106,602
Less: Total bursaries, grants and allowances	(144,553)	(139,215)
	<hr/>	<hr/>
	<u>8,655,328</u>	<u>8,967,387</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

4. ANCILLARY INCOME			2020 £	2019 £	
Registration fees			42,598	50,007	
School fees insurance			19,047	21,122	
School fees draw			21,049	21,705	
Extras			450,683	661,015	
Minibus charges			174,651	239,580	
			<u>708,028</u>	<u>993,429</u>	
			<u><u>708,028</u></u>	<u><u>993,429</u></u>	
5. INCOME FROM VOLUNTARY SOURCES			2020 £	2019 £	
Donations and grants			58,778	52,490	
Less: Hardship discounts (Restricted)			(16,821)	-	
			<u>41,957</u>	<u>52,490</u>	
			<u><u>41,957</u></u>	<u><u>52,490</u></u>	
6. ANALYSIS OF TOTAL	Staff			Total	Total
EXPENDITURE	Costs	Other	Depreciation and Impairment	2020 £	2019 £
	£	£	£	£	£
Costs of raising funds:					
Financing costs	-	206,537	-	206,537	188,794
Charitable activity:					
Teaching	4,673,396	679,279	209,701	5,562,376	5,540,893
Premises	338,732	785,089	1,052,631	2,176,452	1,860,670
Welfare	-	340,378	-	340,378	485,293
Support costs – other	1,083,557	236,786	-	1,320,343	1,223,324
Support costs – governance	-	15,235	-	15,235	26,360
	<u>6,095,685</u>	<u>2,263,304</u>	<u>1,262,332</u>	<u>9,621,321</u>	<u>9,325,334</u>
Total	<u><u>6,095,685</u></u>	<u><u>2,263,304</u></u>	<u><u>1,262,332</u></u>	<u><u>9,621,321</u></u>	<u><u>9,325,334</u></u>

2019 COMPARATIVES

ANALYSIS OF TOTAL
EXPENDITURE

	£	£	£	£
Costs of raising funds:				
Financing costs	-	188,794	-	188,794
Charitable activity:				
Teaching	4,373,655	946,504	220,734	5,540,893
Premises	359,621	1,042,180	458,869	1,860,670
Welfare	-	485,293	-	485,293
Support costs – other	965,143	258,181	-	1,223,324
Support costs – governance	-	26,360	-	26,360
	<u>5,698,419</u>	<u>2,947,312</u>	<u>679,603</u>	<u>9,325,334</u>
Total	<u><u>5,698,419</u></u>	<u><u>2,947,312</u></u>	<u><u>679,603</u></u>	<u><u>9,325,334</u></u>

Support costs include the costs borne by the Charity for the administrative functions and include Compliance, Human Resources, Facilities, Finance, Information Technology, Marketing and Minibuses.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

GOVERNANCE COSTS	2020	2019
	£	£
Legal and professional fees	-	13,448
Audit fees	15,050	12,725
Trustee expenses	185	187
	<u>15,235</u>	<u>26,360</u>
	<u><u>15,235</u></u>	<u><u>26,360</u></u>
7. NET INCOME FOR THE YEAR	2020	2019
	£	£
This is stated after charging:		
- Auditors' remuneration - Audit (excluding VAT)	15,050	12,725
- Other fees (excluding VAT)	5,970	1,960
Operating leases (excluding VAT)	132,111	108,317
	<u>132,111</u>	<u>108,317</u>
	<u><u>132,111</u></u>	<u><u>108,317</u></u>
8. STAFF COSTS	2020	2019
	£	£
Wages and salaries	4,745,800	4,622,348
Social security costs	485,408	472,677
Other pension costs	806,180	575,506
Other staff costs	24,589	26,108
Redundancy and termination payments	33,708	1,780
	<u>6,095,685</u>	<u>5,698,419</u>
	<u><u>6,095,685</u></u>	<u><u>5,698,419</u></u>
	2020	2019
	Number	Number
The average number of persons employed by the school during the year was:		
Teaching staff and teaching assistants	91	93
Support and other staff and gap students	38	37
Minibus drivers – part-time	15	16
	<u>144</u>	<u>146</u>
	<u><u>144</u></u>	<u><u>146</u></u>
The number of employees who received emoluments and benefits in the following ranges were:		
£60,001 - £70,000	9	6
£70,001 - £80,000	2	1
£80,001 - £90,000	1	1
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
£160,001- £170,000	1	1
	<u>14</u>	<u>10</u>
	<u><u>14</u></u>	<u><u>10</u></u>
The school made employer's pension contributions totalling £209,223 (2019: £117,349) on behalf of the higher paid employees.		
Aggregate employee benefits of key management personnel – Senior management team	813,522	762,540
	<u>813,522</u>	<u>762,540</u>
	<u><u>813,522</u></u>	<u><u>762,540</u></u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

9. TANGIBLE FIXED ASSETS	Freehold Property £	Freehold Property Improvements £	Construction In Progress £	Equipment Computers and Vehicles £	Total £
Cost or Valuation					
At 1 September 2019	14,126,728	3,627,376	2,058,971	2,920,247	22,733,322
Additions	-	120,745	87,059	249,105	456,909
Write-off	-	-	-	(1,246,121)	(1,246,121)
	<u>14,126,728</u>	<u>3,748,121</u>	<u>2,146,030</u>	<u>1,923,231</u>	<u>21,944,110</u>
At 31 August 2020	14,126,728	3,748,121	2,146,030	1,923,231	21,944,110
Depreciation					
At 1 September 2019	2,638,267	1,239,796	430,000	2,488,224	6,796,287
Charge for the year	177,566	286,902	-	209,701	674,169
Impairment charge	-	-	588,163	-	588,163
Write-off	-	-	-	(1,244,637)	(1,244,637)
	<u>2,815,833</u>	<u>1,526,698</u>	<u>1,018,163</u>	<u>1,453,288</u>	<u>6,813,982</u>
At 31 August 2020	2,815,833	1,526,698	1,018,163	1,453,288	6,813,982
Net Book Value					
At 31 August 2020	<u>11,310,895</u>	<u>2,221,423</u>	<u>1,127,867</u>	<u>469,943</u>	<u>15,130,128</u>
At 31 August 2019	<u>11,488,461</u>	<u>2,387,580</u>	<u>1,628,971</u>	<u>432,023</u>	<u>15,937,035</u>

National Westminster Bank plc hold a first legal charge over the freehold property dated 19 July 1994 in respect of 107 Ditton Road, Surbiton, KT6 6RL.

Lloyds TSB Bank Plc hold a first legal charge over the freehold property dated September 2011 in respect of 22 Milbourne Lane, Esher, KT10 9EA.

Lloyds Bank plc hold a first legal charge over the freehold property dated 31 July 2017 in respect of 19 Drax Avenue, Wimbledon Common, London, SW20 0EG.

The Corporation of King's College School holds a first legal charge over the freehold property dated 31 July 2017 in respect of 54 Ditton Road, Surbiton, KT6 6RB.

10. DEBTORS	2020 £	2019 £
Due within one year:		
Trade debtors	16,787	74,758
Other debtors	82,632	61,075
Due from HMRC (VAT)	3,803	-
Prepayments	131,879	224,058
	<u>235,101</u>	<u>359,891</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

11. CREDITORS: Amounts falling due within one year	2020	2019
	£	£
Bank loan (see note 13)	420,289	445,651
Trade creditors	263,709	307,254
Social security costs and other taxation	130,050	116,963
Other creditors	347,871	318,935
Accruals	149,218	259,794
Pupil deposits	188,436	181,556
Fees in advance	408,459	682,394
	<u>1,908,032</u>	<u>2,312,547</u>
	<u>1,908,032</u>	<u>2,312,547</u>

12. CREDITORS: Amounts falling due after one year	2020	2019
	£	£
Bank loans (see note 13)	4,045,563	4,465,853
Deferred consideration	874,144	840,520
Pupil deposits	1,078,047	1,163,200
Other creditors	34,726	69,452
	<u>6,032,480</u>	<u>6,539,025</u>
	<u>6,032,480</u>	<u>6,539,025</u>

Pupil deposits are refundable when a pupil leaves the school.

Shrewsbury House School Trust Limited has agreed to pay a deferred consideration to The Corporation of King's College Wimbledon following the acquisition of The Rowans School on 31 July 2017. An amount of £482,000 is payable on or before 31 July 2022 and a further £482,000 is payable on or before 31 July 2023. The total deferred consideration has been discounted to present value at a discount rate of 4% and is shown under Creditors (falling due after one year) as £874,144.

13. BANK LOANS	2020	2019
	£	£
The bank loans are repayable by instalments		
Due after five years	2,446,602	2,726,599
Due within two to five years	1,167,505	1,318,966
Due within one to two years	431,456	420,288
	<u>4,045,563</u>	<u>4,465,853</u>
Due within one year (note 11)	420,289	445,651
	<u>4,465,852</u>	<u>4,911,504</u>
	<u>4,465,852</u>	<u>4,911,504</u>

Shrewsbury House School Trust Limited has a bank loan with NatWest Bank which was taken out in March 2004. The current rate of interest paid is Base Rate plus 1% and the loan is repayable in termly instalments until May 2024 when the loan will be fully repaid.

Shrewsbury House School Trust Limited has a bank loan with Lloyds Bank which was drawn down on 31 July 2017. The current rate of interest paid on the loan is fixed at 4.12%. The loan is repayable in termly instalments starting in September 2019 until July 2032 when the loan will be fully repaid.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

14. FUNDS	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2020 £
<i>Unrestricted fund:</i>					
General fund	10,131,548	9,732,878	9,621,321	22,028	10,265,133
<i>Restricted fund:</i>					
Building Better donations	20,000	(10,000)	-	(10,000)	-
Infrastructure & equipment	-	20,728	-	(17,028)	3,700
Hardship fund	-	4,413	-	5,000	9,413
Total Restricted Fund	20,000	15,141	-	(22,028)	13,113
TOTAL FUNDS	10,151,548	9,748,019	9,621,321	-	10,278,246

The Building Better Restricted Fund relates to the Trust's development programme to upgrade facilities and is in response to the fundraising appeal to current and past students and parents launched at the end of the summer term on speech and sports day in July 2015. At the end of 2020, the remaining balance against this fund was £nil.

The transfer of funds relates to donations spent on an adventure playgrounds for pupils at SHS and TR as well as infrastructure improvement works in line with the long term maintenance programmes across all three schools.

2019 COMPARATIVES

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2019 £
<i>Unrestricted fund:</i>					
General fund	9,285,712	10,056,820	9,321,484	110,500	10,131,548
<i>Restricted fund:</i>					
Building Better donations	89,130	45,220	3,850	(110,500)	20,000
TOTAL FUNDS	9,374,842	10,102,040	9,325,334	-	10,151,548

15. NET ASSETS OF THE FUNDS	Fixed Assets £	Net current Assets £	Long term Liabilities £	Total £
Unrestricted fund	15,130,128	1,167,485	(6,032,480)	10,265,133
Restricted fund	-	13,113	-	13,113
TOTAL FUNDS	15,130,128	1,180,598	(6,032,480)	10,278,246

2019 COMPARATIVES

	Fixed Assets £	Net current Assets £	Long term Liabilities £	Total £
Unrestricted fund	15,937,035	733,538	(6,539,025)	10,131,548
Restricted fund	-	20,000	-	20,000
TOTAL FUNDS	15,937,035	753,538	(6,539,025)	10,151,548

16. NOTES TO STATEMENT OF CASH FLOW

	2020 £	2019 £	
Reconciliation of net income to net cash flow from operating activities			
A. Net income for the reporting period (as per the Statement of Financial Activities)	126,698	776,706	
Adjustments for:			
Depreciation charges	674,169	679,603	
Impairment charges	588,163	-	
Loss / (profit) on disposal of fixed assets	1,484	(12,167)	
Bank interest	(14,886)	(13,029)	
Decrease / (increase) in debtors	124,790	(163,976)	
(Decrease) / Increase in creditors	(465,409)	354,696	
Net cash provided by operating activities	<u>1,035,009</u>	<u>1,621,833</u>	
B. Analysis of cash and cash equivalents			
Cash at bank and in hand	2,853,529	2,706,194	
Total cash and cash equivalents	<u>2,853,529</u>	<u>2,706,194</u>	
C. Analysis of changes in net debt	Balance at 1 September 2019	Cash-flows	Balance at 31 August 2020
	£	£	£
Cash	2,706,194	147,335	2,853,529
Loans falling due within one year	(445,651)	25,362	(420,289)
Loans falling due after more than one year	(4,465,853)	400,290	(4,065,563)
TOTAL	<u>(2,205,310)</u>	<u>572,987</u>	<u>(1,632,323)</u>

17. PENSION COMMITMENTS

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £709,367 (2019: £484,124) and at year-end £83,311 (2019: £65,193) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The Trust also contributed to a pension scheme administered by Aviva for non-teaching staff. The charge totalled £85,536 (2019: £76,074) and at year-end £12,458 (2019: £11,050) was accrued in respect of contributions to this scheme. The Trust also makes contributions towards the scheme of a private member.

18. COMMITMENTS UNDER OPERATING LEASES & CAPITAL COMMITMENTS

	Assets other than land & buildings	
	2020	2019
	£	£
Due within one year	111,086	97,628
Due between one to five years	90,025	72,400
	<u>201,111</u>	<u>170,028</u>

Capital commitments contracted for but not provided in these accounts at 31 August 2020 were £14,446 (2019: £32,796) relating to electrical works at SHS.

19. INDEMNITY INSURANCE

The company purchased insurance, at a cost of £798 (2019: £672) for the Trustees during the year to indemnify them against any liabilities arising as a result of negligence on the Charity's behalf.

20. RELATED PARTY TRANSACTIONS

No payments were made to Trustees during the year for reimbursement of expenses (2019: £Nil). Amounts paid directly to third parties on behalf of Trustees during the year amounted to £399 (2019: £187). These expenses consisted of training and catering costs for Board and sub-committee meetings. During the year, payments made by a Trustee towards school fees amounted to £7,739 (2019: £8,042). The amount billed by SHS to the Trustee was £7,527 (2019: £8,015).

During the year, the Shrewsbury House Association (SHA) paid for the following items on behalf of the Charity; equipment for the Design & Technology department for £3,700 and a contribution towards the Year 3 Garden for £3,300. The Shrewsbury Pre-Prep Parents Association (SPPA) paid for the following on behalf of the Charity; scooters for £883; sports equipment for £573; musical instrument for £300 and a camera for £300. The Friends of the Rowans donated an amount of £7,000 towards the Adventure Playground at TR.

21. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted General Fund £	Restricted Fund £	Total 2019 £
INCOME FROM:				
Income from charitable activity				
School fees	3	8,967,387	-	8,967,387
Ancillary trading income	4	993,429	-	993,429
Other trading activities				
Rental income		63,538	-	63,538
Investment income				
Bank and other interest		13,029	-	13,029
Voluntary sources				
Grants and donations	5	7,270	45,220	52,490
Other Income				
Surplus on sale of assets		12,167	-	12,167
Total Income		<u>10,056,820</u>	<u>45,220</u>	<u>10,102,040</u>
EXPENDITURE:				
Costs of raising funds:				
Financing costs		188,794	-	188,794
Charitable activity:				
Education		9,132,690	3,850	9,136,540
Total Expenditure	6	<u>9,321,484</u>	<u>3,850</u>	<u>9,325,334</u>
NET INCOME		735,336	41,370	776,706
Transfers between funds		110,500	(110,500)	-
NET MOVEMENT IN FUNDS		845,836	(69,130)	776,706
Fund balance brought forward 1 September		9,285,712	89,130	9,374,842
Fund balances carried forward at 31 August	14	<u>10,131,548</u>	<u>20,000</u>	<u>10,151,548</u>