

**THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION**

**REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**COMPANY NUMBER 1648056**

**REGISTERED CHARITY NUMBER 285244**

**REGISTERED OFFICE**

Ditcham Park, Petersfield, Hampshire, GU31 5RN

<b><u>CONTENTS</u></b>	<b><u>Pages</u></b>
Governors' Report	1 – 12
Report of the Independent Auditors	13 - 14
Statement of Financial Activities	15
Balance Sheet	16
Cash Flow Statement	17
Notes to the Financial Statements	18 - 25



# THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION

## Governor's Report for the Year Ending 31<sup>st</sup> August 2020

The Governors of The Ditcham Park School Charity Association present their annual directors' report and the audited financial statements for the year ended 31 August 2020 and confirm they have also been prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

The directors of the charitable company are its Trustees (Governors) for the purpose of charity law. The Memorandum and Articles of Association and this annual report refer to these individuals as the Governors of the School.

This report provides a summary of the charity's objects, describes the benefits which its education brings and explains its admissions and bursaries policies. In addition, the report explains the wider contribution the educational resources of the School make to public benefit, including the pupils and staff of maintained state schools within our local community.

### **OUR AIMS**

The Objects of the Charity, as set out in the Memorandum and Articles of Association, are to promote and provide for the advancement of education and in connection therewith to conduct, carry on, acquire and develop in the UK any School or Schools for the education of both boys and girls. In accordance with the current prospectus, Ditcham Park School currently educates approximately 389 pupils (including Nursery pupils); it is co-educational and provides a continuous education for children aged between 2.5 to 16 years.

As a charitable trust, Ditcham Park School seeks to benefit the public through the pursuit of its stated aims. We seek to provide a structured and supportive educational environment that develops our pupils' capabilities and competences. Through our academic curriculum, programme of pastoral care, and wide range of sporting and other activities, we promote the academic, moral and physical development of our pupils, building their self-confidence and providing them with the skills and desire to go out into the world and improve it.

### **Our School Aims**

#### **Identify and develop each child's interests and abilities**

All children are unique and have a distinct blend of abilities or intelligences. We aim to find the best in every child through an 'all round' approach to education and by identifying and developing their abilities whether they are academic, sporting or in the creative arts.

#### **Promote Academic Excellence**

We seek to inspire within our pupils a lifelong love of learning by creating a culture of innovative, dynamic and progressive teaching which ensures that, as our pupils learn, they are excited, curious and, like their teachers, passionate about their interests.

#### **Provide an environment where pupils are happy and where they can flourish**

We believe that our relatively small size helps us provide outstanding pastoral care so each child is known and valued. Our physical environment, situated on a beautiful 16 acre site in an Area of Outstanding Natural Beauty, positively influences behaviour and encourages an appreciation of our natural environment and encourages a sense of well-being.

#### **Prepare pupils for the future**

We aim to provide our pupils with the academic qualifications, knowledge and skills, including technological and creative skills, to equip them for Further and Higher Education and to take full advantage of the opportunities provided in our Digital Age. We aim to develop self-confident young people with Christian values, a growth mind set and the desire to shape the modern world for the better.

#### **Connect with the Community**

We aim to develop strong links with our parents and the local community. We believe that an education at Ditcham Park School should be accessible to children from the local community.

### **Pastoral Care at Ditcham Park School**

As a relatively small school we are proud of the high levels of personalised pastoral care we have in place for each pupil. We are able to nurture and develop our pupils in a safe yet stimulating environment. Regardless of their abilities or talents, through our pastoral support system we aim to build each child's self-confidence and can provide the guidance necessary to support pupils through any life challenges they might experience. Alongside the broad curriculum delivered by our team of highly motivated talented and inspiring teachers, the development of strong relationships and open communication channels between pupils, staff and parents gives us great satisfaction as a school. This is a significant contributing factor in delivering our outstanding academic results and pupils are undeniably happy at Ditcham. They feel safe, secure, valued, supported as well as challenged.

### **OUR OBJECTIVES**

Our objectives are set to reflect our educational aims and the ethos of the School. In addition, when setting our objectives and planning our activities our Governors have given careful consideration to the Charity Commission's public benefit guidance.

#### **Our key objectives for the year included:**

- Improve the quality of our teaching and learning, including but not limited to
  - the continued use of Google docs and technology and the rolling out of Chromebook laptops to pupils in Forms 1 and 2 (extended in March 2020 to pupils in Forms 3, 4 and 5 in response to the coronavirus (Covid-19) pandemic);
  - an improved understanding of the specific learning needs of our pupils with learning difficulties, and the implementation of action points identified by a review of learning support;
  - implementation of improvements to the progress tracking, monitoring and target setting for every pupil.
- To consolidate and refine the changes to the Timetable and to the Curriculum, including the provision of more time for tutors to work with tutees in Seniors and further development of our Science Technology Engineering Arts and Maths (STEAM) programme in all year groups;
- To consolidate and refine the School House system to provide more opportunities for pupils to develop academically, participate in more sport and activities, develop their creative skills and engage with the local community;
- To increase and improve the quality of our co-curricular provision including the planning, organisation and delivery of a "Hopeful Earth Conference" in Autumn 2019 and an "Environment Week" in Summer Term 2020;
- To further improve pupils' welfare, leadership and personal development opportunities;
- To continue to improve our communications with parents, families and the wider community;
- To provide continuing means tested support to pupils through bursaries and hardship awards (and, from March 2020 to provide additional bursary support to families directly affected by the coronavirus (Covid-19) pandemic);
- To continue to develop our links with local state Schools through a programme of positive interaction and joint working, including an expanding "outreach" programme;
- To implement the first stages of our 10-year (2019-2029) strategic building development plan;
- To improve Governance by undertaking a survey and skills audit of current Governors and providing regular access to further professional training opportunities delivered by AGBIS (Association of Governing Bodies in Independent Schools).

### **STRATEGIC REPORT**

#### **REVIEW OF ACTIVITIES AND ACHIEVEMENTS**

The School has enjoyed a further very successful year and enhanced its reputation over a wide area of activities.

#### **Pupil Numbers and Fees**

As a result of the School's excellent reputation for academic and non-academic achievement, pastoral care and extra-curricular activities, pupil numbers have increased during the year. Our fees for the current year before the deduction of any means assisted bursaries and scholarships were:

Nursery	- £57.00 per day (non-funded hours)
Early Years	- £2,947 per term
Juniors	- £3,296 to £4,161 per term
Seniors	- £4,412 to £4,941 per term

### **Academic**

Our academic results in the year demonstrated further improvements in both Junior and Senior areas of the School. The curriculum also includes a focus on development of the "whole individual" with an emphasis on the "soft skills" of self-presentation, public speaking, social skills and team working. The co-curricular and House activities are instrumental as the main avenues for developing these strengths.

GCSE results in 2020 were impressive and delivered excellent results throughout the cohort; all pupils at all ability levels achieved the grades required for them to progress successfully and with confidence to the next stage of their academic careers. The following headline figures were achieved:

- 99% of all results grade 4 or above
- 65% of all results grade 6 or above
- 42% of all results grade 7 or above

In the Key Stage One and Key Stage Two end of year assessments, our pupils consistently score above the National Average for English and Maths. At the end of Key Stage Two, the majority of pupils choose to remain at Ditcham for their senior education. Our pupils in KS1 and KS2 were not able to take end of year assessment tests in the Summer term 2020 because of the Covid-19 restrictions.

### **Co-Curricular activities**

In February 2020 the School was inspected by the Independent Schools Inspectorate (ISI). The Regulatory Compliance Inspection and Educational Quality Inspectors found the School to be compliant in all areas and excellent in the provision of pupils' personal development.

### **The Creative Arts**

The School is proud of its pupils' extensive participation in the Creative Arts and, recognising the increasing success and growing stature of our Music, Drama and Art departments, we have recently completed the design development stage of a major new facility for the School – a Centre for the Creative Arts complex – which will enable us to increase our provision in these subjects and expand our pupils' opportunities for performance. Subject to the appropriate planning permissions being granted we aim to have completed this ambitious project in time for our 50<sup>th</sup> anniversary year in 2026.

### **Music**

Participation in both the Junior and Senior sections of the School is high, with approximately 60% of our pupils enjoying music lessons, either instrument or voice. Of those pupils choosing to take Associated Board Music Examinations, many achieve success at the highest level.

There are many groups, large and small, playing a variety of music styles. Our pupils enjoy the opportunity to share their love of music for the benefit of the wider community. The Choir and Concert Band undertakes a busy schedule of performance in the local area, this year travelling to local churches and retirement homes. Sadly, this year the school did not take part in the Stansted House Christmas Fayre which was unfortunately cancelled due to widescale flooding onsite but the groups were able to take part in a joint schools' Save the Children Christmas charity concert and the School's Christmas Carol service in Emsworth. A large contingent of pupils travelled to London to take part in the "Young Voices at the O2" event in February 2020.

### **Drama**

Senior pupils have the opportunity to take part in at least two school drama productions per year, and these performances are open to all to attend. In the Autumn of 2019 pupils in Seniors Forms 1 to 4 took part in "Body Combat" over two evenings in November and the production fizzed with energy and talent! Each year our pupils enter the National Finals of the Shakespeare by Heart competition and in June 2019 a Year 9 pupil won the monologue category of this prestigious event, sponsored by the English-Speaking Union. In summer 2020 this same pupil supported the ESU during the coronavirus lockdown by featuring in a video encouraging other students to join the ESU Festival of Speaking. In Juniors, Year 6 pupils are involved in an annual production each July, sadly curtailed by the coronavirus (Covid-19) in July 2020; in the previous year "Cinderella Rockerfella" was performed on two consecutive evenings to a capacity crowd. Each year our Nursery, Reception and Infant children take part in a Nativity musical and at Christmas 2019 the event was exceptional in terms of its costume, choreography, music and talented children. These performing arts events coincided with a poetry competition in the Autumn of 2019 linked to the National Poetry Day. At the Independent Schools Association (ISA) National Awards Ceremony in November 2019 our pupils were announced as winners of the National Award for Excellence and Innovation for the Performing Arts.

On average, each year more than 50% of our pupils choose to take LAMDA examinations and excellent results are commonplace. In 2019 all pupils, in Junior and Senior age groups were awarded either distinction or merit in Speaking and Acting. In 2020 the exams were curtailed by LAMDA due to the impact of the coronavirus (Covid-19).

### **Art**

Art is a popular and successful activity for the School and we proudly display pupils' work in our Reception area, in David Holmes Building Art Gallery and around the School. In 2019/20 two pieces of artwork were exhibited at the Independent Schools Association (ISA) National Art Exhibition in November, one was awarded 1<sup>st</sup> Prize and the other was awarded 2<sup>nd</sup> Prize. This is the third year in a row we have won an Art Prize in the ISA National Art Exhibition. Many other pieces of art, produced by KS2 pupils, were exhibited in the Regional Art Exhibition.

Our pupils enjoy workshops with visiting artists throughout the year, which are valuable opportunities for them to immerse themselves in creative activity with those who have chosen art as their career. Often, art workshops are run by our staff for pupils from local state primary schools during the year. The visiting children use the facilities provided by our art room and pottery room and benefit from the expertise of our specialist teachers. As part of School Aim to 'Connect with the Community' the School plans to continue with and extend this offer to our local Primary schools.

### **PE and Games**

Our aim is the enjoyment of movement and fitness for all. Pupils are encouraged to fully participate in PE and Games activities aiming for their personal best in a range of winter and summer options. Additional opportunities to enjoy sport is provided via a wide range of extra-curricular sporting activities at lunchtimes and after school, supported by specialist qualified coaches. Our School teams continue to enjoy tremendous success with the U13 boys football team winning all their matches bar one, and the U15s boys undefeated for the year. Our U13s Rugby team came 5<sup>th</sup> in the ISA national rugby tournament.

Outside of School, during the past year Ditcham Park pupils have achieved tremendous personal achievements at county and national levels:

- 1 pupil has been awarded a two-year contract for Portsmouth Football Club U13 Academy;
- 1 pupil was reselected for London Irish RFC Junior Academy;
- 2 pupils successfully competed in the Sussex U12 team Foil Fencing Championships;
- 1 pupil successfully trialled for the England Netball Performance Pathway and now trains with the Sussex U13 Satellite Academy in Portslade.
- 1 pupil has been selected for the GB National Sailing Squad.

From September 2018 the subject moved from a short course GCSE offered to Form 4 pupils, to a full GCSE recognising its popularity, success and Ditcham Park pupils' enjoyment of sports. In Autumn of 2019 the School launched a Sports Development Programme, and in Spring of 2020 a small band of pupils on the programme visited Surrey Sports Park, enjoyed a tour of the facilities and watched a Surrey Storm Netball match. The visit included a meeting with Mikki Austin, Surrey Storm Player/Coach who led a Q&A session.

The Head of PE and his team co-ordinates an extensive programme of fixtures, both home and away, throughout the year and runs annual tournaments for local state and independent schools in football, netball, hockey and rounders.

### **Other Sports and Activities**

The School is keen for its pupils to access other sports, most often arranged via residential or day trips. In the past year some of our pupils, both Juniors and Seniors, have enjoyed overseas Ski-ing trips and all our Form 1 and Form 2 pupils enjoyed a 3 day residential trip to Calshot Activity Centre where they took part in a variety of activities including indoor climbing, cycling around a velodrome and kayaking.

### **Cycling**

Cycling is an increasingly popular extra-curricular activity. The School's Cycling Club (DCC) has 2 sections (Road Club and off-road MTB) and pupils aged 7-16 take part. DCC is affiliated to British Cycling (the National Governing Body for Cycling), British School's Cycling Association (BSCA) and Cycling UK. The clubs are led by qualified Cycle Leaders assisted by parent volunteers. The MTB Club uses trails within the school grounds to develop 'starting skills', as well as local bridleways on monthly "Adventure Rides".

The Road club meets on Saturday mornings from March to October. The school hosts the annual National and Regional BSCA Hill Climb Time Trial Championships each June with around 100 top youth cyclists from all over the UK taking part. The event is organised by a team of cycle leaders from DCC, and local club Solent Pirates however in 2020, due to the coronavirus (Covid-19) social distancing restrictions, this event was sadly not able to take place. Plans are already being made for the 2021 event.

#### **Duke of Edinburgh Award (DofE)**

In November 2019 the School completed the move to operate its DofE programme under a direct license arrangement with the Duke of Edinburgh organisation, led by our new highly qualified DofE Co-ordinator Isaac Walker. Isaac is supported in the running of the DofE expedition section by a small team of dedicated teaching and teaching support staff, alongside Hampshire Outdoors (an Approved Activity Provider) and freelance Canoe Instructors.

In 2019/20, the school moved to a Year 10/11 enrolment enabling more of our young people to benefit from access to the programme for a longer period.

The Spring and Summer 2020 expeditions were of course delayed due to the coronavirus (Covid-19) pandemic but our pupils continued to engage with the DofE scheme via several changes introduced during the national lockdown period, including the logging of activities onto the online system "eDofE". Despite the lockdown measures, across the 3 award levels 13 awards were achieved after the end of February 2020. The delayed Bronze Spring and Summer expeditions will be undertaken in the Autumn term of 2020/21.

Ditcham Park School continues to maintain its high completion rate of 65%+ which is well above the national and regional average.

#### **Educational Events and Visits**

An extensive programme of education day visits took place during the autumn and winter of the 2019/20 year, with a wide variety of locations and institutions, involving all pupil year groups. Sadly, in common with all schools, the national lockdown and social distancing response to the coronavirus (Covid-19) pandemic forced us to cancel our day visit plans for the Summer 2020 term.

The School runs several residential trips each year as part of the curriculum. In 2019/20 Year 6 pupils spent a week at Hooke Court in Dorset and Years 7 & 8 enjoyed a stay at the Calshot Activities Centre. Year 9 pupils experienced a moving visit to Ypres in Belgium as part of their WW1 History studies. Some pupils in Years 9-11 enjoyed a languages trip to Paris in France. Regrettably our scheduled Year 4 pupils Summer 2020 bushcraft and overnight camping experience in the New Forest, and our Year 5 pupils residential trip to Cobnor Activities Centre in West Sussex were also unable to take place due to the coronavirus (Covid-19) pandemic.

#### **Details of bursary and scholarship awards**

##### **Bursaries**

This year the value of means tested bursaries totalled £95,440 and represented 1.9% of our gross fees. They provided assistance to 14 of our pupils, of which 3 pupils benefitted from a full remission of fees.

##### **Scholarships**

In addition, the School awarded scholarships to 29 pupils, based on their educational merit and potential, totalling £51,211 and representing 1% of our gross fees. The progress of pupils receiving scholarships is reviewed annually to ensure their progress is in line with their abilities. No scholarships were withdrawn in the year as a result of such reviews.

#### **Fundraising and the Outreach Programme**

##### **Fundraising**

Each year the School's pupils and staff enjoy joining together in support of a variety of charitable organisations, achieved through fundraising House events, termly Whole School Mufti Days (where often visiting speakers will help to raise the children's awareness of particular causes) and the annual "Charity Week" in Seniors. In this academic year the School raised just over £3,269. The annual Harvest Festival Services generated a significant donation of food for disadvantaged families, donated via two local charities and, at Christmas, the "Cans for Christmas" appeal collected over 275 cans of food donated to the Petersfield Food Bank and distributed to families in the Petersfield area over the festive season.

#### Outreach and Community Access

During the year, the School's Senior Leadership Team has continued to promote and support the School's programme of "Outreach" by developing stronger links with local Infant, Primary and Prep Schools particularly. In April 2019 the School organised STEAM Masterclasses for pupils aged 7-13 from local schools. In May 2019 the School held its first "Outdoor Learning Day" for primary and junior children, attended by a number of maintained sector schools. The children enjoyed Bushcraft sessions in the North Woods and falconry talks and displays in the Walled Garden and, due to its success in bringing together the local school communities and popularity with the children and teaching staff the event was planned to be repeated in the Summer term of 2020, but was unfortunately cancelled due to the coronavirus (Covid-19) pandemic.

#### Public Benefit

We see Ditcham Park School as a part of a wider community, and we are delighted to assist the community whenever we can. Our School has links with local education institutions. We regularly provide student placements for trainee teachers from the Universities of Chichester and Winchester, and we accommodate local students who want to do work shadowing in an educational environment. During the academic year two members of the School's Senior Leadership Team served as Governors on the boards of two local State Primary Schools and a Seniors Academy in North East Hampshire.

The Governors have complied with their duty, under Section 17(5) of the 2011 Charities Act, to have regard to the Charity Commission guidance when exercising powers or duties to which the guidance is relevant.

#### FUTURE PLANS

The prime objective of the Governors is to provide, for each individual pupil, a high standard of all-round education, including excellent examination results, strong pastoral care and a broad extra-curricular experience. The Governors intend to continue with their current strategies to make surpluses and generate cash inflows in future periods that will ensure the continuing viability of the charity and enable the School to fund future improvements.

The School's 10-year building and facilities development plan includes a number of projects that will, once complete, benefit the majority of pupils and staff with improvements focussed on three primary areas in the School; Physical Education facilities, School Dining/Assembly areas and the Creative Arts, the latter to include a purpose-built performance auditorium.

Environmental issues are a priority for the School community and we always consider the energy efficiency and longer-term environmental impact of each new facility as plans are drawn up for their development.

Historically, our plans are financed primarily from fee income and from our reserves. In summer term 2020 however the School varied its fees by 30% and 40% to help families to manage the temporary effects of the coronavirus (Covid-19) pandemic national lockdown on their household finances and postponed the scheduled development of the Martin Pryce Building Extension to preserve working capital whilst the longer term effects on the School population were ascertained. At the same time the School applied for and secured a Government backed CBILS loan from Natwest Bank and it intends to use this funding to progress its building development strategy. A full reassessment of our plans was undertaken during the same period. The Governors need to maintain an equitable balance, ensuring our current pupils benefit whilst, at the same time, ensuring a sound infrastructure and financial base is preserved for the next generation of pupils in the same way as our current pupils benefit today from the investments made in the past.

#### OUR FINANCES - Results for the Year Ended 31 August 2020

The financial statements show a net surplus for the year on our Schools activities of £30,362. The principal source of income is fees, accounting for 99.4% of the School's income. The net cash outflow was £(110,181). The School does not receive any additional income from endowments. Our Governors are continuing their strategy of deploying all net incoming resources to investing in the educational purposes and fabric of the School.

As an educational Charity, the parents of our pupils have the assurance that all the income of the School must be applied for educational purposes. Our status also lets us enjoy tax exemption on our educational activities and on our investment income and gains provided these are applied to our charitable aims. As a Charity, we are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are wholly applied for educational purposes and indirectly help us to maintain our bursary policies and outreach and community links programme, creating a social asset without cost to the Exchequer. Furthermore, we estimate the School saves the UK taxpayer in the region of £2.3m as a result of the attendance at our school by pupils who could otherwise take up a free UK State School place; through direct, indirect and induced tax contributions.

As an educational Charity, we are unable to reclaim VAT input tax on our costs as we are exempt for VAT purposes.

### **Facilities Maintenance and Development**

In 2018/19 the School undertook a whole site utilisation review to help inform and develop a 10-year masterplan of facility improvements and building developments. During 2019/20 as a result of this review, the School Leadership Team and School Governors refined the agreed programme focusing on three distinct areas of the School, expected to appeal to a wide cross section of the School community including pupils, staff and parents.

One priority area the School is keen to improve is its dining facilities so it can provide a comfortable, sociable, well-supervised facility that will be enjoyed by pupils and staff alike. The area identified for this purpose will require some redevelopment work which will become possible following the completion of an extension to the Martin Pryce Sports Hall. This new extension will allow the PE department access to a dedicated facility providing a modern sports hall, a multi-purpose studio, 2 additional classrooms and additional PE changing rooms. Planning permission was received in the winter of 2019 and building is expected to commence in January 2021. The School has now selected an architectural practice to design the School's flagship Centre for the Creative Arts complex, a project that will bring together the art, drama and music departments. The School is also in the early stages of considering options for the creation of an all-weather sports pitch.

### **Reserves and Investment Powers**

The School's main financial instruments comprise bank balances and debtor and creditor balances. The main purpose of these instruments is to finance the School's operations. The nature of the financial instruments used by the School is such that their market value does not fluctuate as a result of changes in market prices. Debtors are managed in respect of credit and cash flow risk by the regular monitoring of outstanding amounts. Creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

#### **Reserves**

Reserves will be accumulated when possible for the development of the School, whilst retaining a minimum cash holding in general funds of sufficient size to ensure the uninterrupted running of the School and meet the objectives of the charity as set out in the Memorandum and Articles of Association. Currently the School retains the sum of £500,000 in general funds to cover its immediate operational expenses; this amount is regularly assessed against forecast income and expenses for its suitability. In the event of insufficient money being readily available to cover current expenditure, the School will utilise funds from the CBILS loan held from 21<sup>st</sup> September 2020; as at 31 August 2020 the School had no borrowing commitments. Generally, the School aims to manage its funds prudently to permit further development.

The School intends to continue building reserves to provide funds for its 10-year development plan, as outlined in "Future Plans" on page 6. The cash flows required to generate the funds needed to fund these investments, whilst simultaneously maintaining the day to day operation of the School, are assessed by the School and the Governing Body.

#### **Investments**

These are governed by the Memorandum of Association which permits the funds to be invested in or upon such investments, securities or property as may be thought fit by the Governors. At 31 August 2020 investments were held in interest bearing bank accounts with Nat West, Lloyds, and CAF banks. There is no exposure to stock market or other risks.

### **OUR ETHOS STRATEGIES AND POLICIES**

The broad strategy of the School is to provide an excellent all-round education for its pupils and to provide our pupils with the skills, qualifications and the self-confidence to pursue a successful and meaningful life. This is achieved by identifying and developing the abilities that each child possesses using a holistic approach to education. In addition, the charity endeavours to maintain a co-operative relationship with local Schools and the wider local community as far as it is able within its financial means and rural location high on the South Downs.

Our School welcomes pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our School will be able to educate and develop a prospective pupil to the best of his/her potential and in line with the general standards achieved by his or her peers.



Entrance interviews and assessments are undertaken to satisfy the School and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's gender, ethnicity, race, religion or disability do not form part of our assessment processes. Economic status is only taken into consideration when a parent applies for a means-tested bursary. We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments, within the constraints of the existing School buildings, to maintain accessibility to all areas of the School for any staff or pupils who are or become disabled. As new building developments are planned, accessibility for disabled pupils, staff and visitors is a key consideration.

Our School is committed to safeguarding and promoting the welfare of our pupils and expects all staff and volunteers to share this commitment.

Parents are provided with regular information about their children's social and academic progress through parent evenings, end of term and end of year reports. We maintain regular contact with parents throughout the year through informal contacts, electronic weekly newsletters and termly printed colour newsletters. Pupils are supported by Form Tutors, House Captains and a system of staff and pupil mentors.

### **ACCESS POLICY**

It is important to us that access to the education we offer is not restricted to those who can afford our fees. Our pupils, we believe, benefit from learning within a diverse community. Social interaction, conversation and shared experiences help our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

### **Bursaries Policy**

Our Governors view our bursary policy as an important factor in our efforts to widen access to the education we offer and the facilities we enjoy. We believe our bursary awards provide children from families who would otherwise not be able to afford the fees with the opportunity to increase their attainment and significantly improve their life chances. Our bursary awards are open to all who meet our general entry requirements and are made solely on the basis of parental means, or to relieve hardship where a pupil's education and future prospects would otherwise be at risk. In assessing means, we take several factors into consideration, including family income, investments and savings and family circumstances, such as dependant relatives and the number of siblings. However, our School has no endowments and in funding our awards we are mindful to ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards. The bursary awards granted range from 10% to 100% remission of fees, in some cases including transportation to site. We advertise the availability of these awards on our website and in our prospectus.

### **OTHER POLICIES ON ASSISTANCE**

#### **Fee Financial Planning Policy**

Advance planning for School fees is important for many parents who are hoping to send their children to Ditcham Park. A School Fees Plan is available to help those who wish to fund educational costs through regular contributions, via a third-party provider.

#### **Family Discounts Policy**

The School places importance on family continuity amongst our pupil population and we therefore offer discounts to our many parents who have more than one child at the School.

#### **Assistance for our Teaching Staff**

As part of our emphasis on attracting and retaining high calibre staff, we offer a discount scheme for staff members who choose to educate their children at our School.

#### **Scholarships Policy**

The purpose of our scholarship awards is to recognise high academic potential, or the ability to excel in Music, Sport, Art or Drama. Scholarships are awarded with a fixed remission of fees between 5% and 30%, available for both Juniors and Seniors. We advertise the availability of scholarship awards on our website, in our prospectus and in a printed brochure available at our Open Mornings or by request. Further details are available directly from the School. The progress of pupils receiving scholarships is reviewed at least annually to ensure their progress is in line with their abilities. No scholarships were withdrawn in the year as a result of such reviews.

### **Learning Difficulties & Learning Disabilities Policy**

It is central to the ethos of Ditcham Park School that all pupils are equally valued and share a right to a broad balanced curriculum which promotes personal development preparing them for increasing independence and responsibility. All pupils are offered relevant help and assistance in their learning wherever and whenever a need is identified. In some circumstances, with the agreement of parents, teachers and Learning Support staff, a pupil may receive one to one support from a specialist literacy/numeracy teacher. Ditcham Park can provide specialist support, on site, during the school day delivered by the Head of Learning Support and her team to fit around a pupil's timetable and activity commitments where possible. This support requires a fee paid for by parents.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Governors, who are also the charity trustees, administer the Charity and are responsible for the overall management and control of The Ditcham Park School Charity Association. The Council of Governors meets not less than four times each year and at such other times as the Chairman shall appoint. The work of implementing most of their policies is carried out by the three sub-committees covering Finance, Buildings and Education. Each meet at least three times each year and work under the chairmanship of a Governor appointed at the AGM each year. The Council makes strategic decisions and ensures that the structure and management arrangements for governance of the School are well defined to provide effective oversight and guidance. The Bursar is responsible for co-ordinating the work of the Governors and their Committees, preparation of papers and management accounts and the review of matters arising.

All trustees give of their time freely and no remuneration was paid in the year. During 2019/20, as a direct result of the coronavirus (Covid-19) pandemic, one Governor received a short-term means-tested hardship bursary, assessed on an anonymised basis in common with all other applicants. No other Governor or person connected with a Governor received any benefit from a means tested bursary or scholarship awarded to our pupils.

The Governors appoint the Headmaster and the Bursar & Clerk to the Governors to manage the day to day operations of the charity.

### **Governing Document**

The Ditcham Park School Charity Association is a Company Limited by Guarantee and is governed by its Memorandum and Articles of Association dated 2 July 1982 as amended by special resolution on 27 May 2002. It is registered as a charity with the Charity Commission in England

### **Organisational Management**

Our Governors determine the general policy of our School. The day to day running of the School is delegated to the Headmaster, supported by Senior Staff. The Headmaster undertakes the key leadership role overseeing educational, pastoral, and administrative functions in consultation with the SLT (Senior Leadership Team). The day to day administration of both sections of our School is undertaken within the policies and procedures approved by our Governors which provide for only significant expenditure decisions and major capital projects to be referred to our Governors for prior approval.

The Headmaster oversees the recruitment of all educational staff and non-teaching support staff, whilst under delegated authority, the Bursar oversees the recruitment of administration, estate and catering staff. The Headmaster, Head of Seniors and Head of Juniors attend our Council of Governors' meetings, accompanied by the Bursar who also acts as Clerk to the Governors.

### **Other Relationships**

The School is a member of the Independent Schools Council, Independent Schools Association, the Independent Schools Bursars Association and AGBIS. These memberships provide an opportunity to share expertise, knowledge and experience across the independent school sector and provides appropriate representation to Government and regulators of the views of the sector when required. In addition, the Chair of Governors attends the termly meetings of the "Chair of Governors Forum" on behalf of the School. The October 2019 meeting of the Chair of Governors Forum was hosted at Ditcham Park School with a panel of four speakers, including the Chairman of AGBIS, the CEO of United Learning, Deputy Head of Bryanston School and Head of Wimbledon High School, debating the topic of "The State of Independence – Key Challenges affecting the Independent Schools today".

### **Risk Management**

The Governors examine the major risks that the School faces each financial year when preparing and updating the strategic plan. The Charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the School in the future. Governors have prescribed a risk assessment methodology, and the Senior Leadership Team undertakes an annual review. The Senior Leadership Team reported their findings to the Governors during the year; Governors reviewed the findings and were satisfied that procedures were in place to effectively manage all known risks.

### **Governor Recruitment and Appointment**

The Governing body requires breadth and depth of experience to carry out its duties effectively and efficiently. Where possible the Governors consider that the skills and experience of the Board should comprise the following:

- A Governor with a legal background
- A Governor with a financial/accounting background
- A Governor with professional experience of the building industry, ideally a Quantity Surveyor
- A Governor with education experience
- A Governor with senior managerial or business experience
- A Governor with experience of equal opportunities or disability needs
- At least one female Governor and at least one male Governor

Anyone with the approval of a majority of the Council of Governors can become a member of the charity. Each member agrees to contribute £1 in the event of the charity being wound up. The Council has at least two and not more than fifteen elected members, each of whom shall be called a Governor. The Council elects a Chair and Vice Chair. One third of the remaining elected members of the Council, or the nearest number thereto, retire in rotation according to length of service on the Council. They can be re-elected. The Governors retiring by rotation and being eligible for re-election at the next Annual General Meeting (June 2021) are Mr Pickett, Mr Hughes and Mrs Field.

### **Governor Induction and Training**

New Governors receive an internal induction information pack familiarising them with the School and its operation, including the Memorandum and Articles of Association, the committee and decision-making processes, the governance and financial management procedures of the School, the development plan and recent financial performance. New Governors also receive external induction training to brief them on their legal obligations under charity and company law. All Governors are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. In February 2020 the School engaged AGBIS to provide bespoke training for all Governors in post at that time, on the School premises. Governors receive reimbursement for training expenses and associated travel costs.

### **Governors' Responsibilities**

The Governors (who are also the Directors of The Ditcham Park School Charity Association for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charity 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 operation.

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

The Governors are responsible for the maintenance and integrity of the corporation and financial information included on the charitable company's website.

### **Statement as to Disclosure of Information to Auditors**

In so far as the Governors are aware at the time of approving our Governors' annual report:

- there is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the charitable company's Auditors are unaware; and
- the Governors, having made enquiries of fellow Governors and the auditor that they ought to have individually taken, have each taken steps that he/she is obliged to take as a Governor in order to make themselves aware of any relevant audit information and to establish that the Auditors are aware of that information.

**GOVERNORS AND CHARITY TRUSTEES**

The Governors who served during the financial year and since that year end were:

Mr C J Pickett	(Chair of Governors) (Chair of Building Sub-Committee)
Mr S Howarth	(Chair of Finance Sub-Committee) – resigned 10 <sup>th</sup> October 2019
Mrs M Downes	(Designated Governor for Child Protection) (Chair of the Education Sub-Committee) – resigned 7 <sup>th</sup> September 2019
Mr D Taylor	Resigned 1 <sup>st</sup> November 2019
Mr G Hughes	(Member of the Building Sub-Committee)
Mrs P Field	(Member of the Education Sub-Committee)
Mrs S Barber	(Member of the Finance Sub-Committee) (Designated Governor for Data Privacy) (Vice-Chair of Governors – appointed 14 <sup>th</sup> October 2019)
Mrs R Parrett	(Member of the Education Sub-Committee) (Deputy Designated Governor for Child Protection)
Mrs N Dentten	(Member of the Finance Sub-Committee)
Dr L Albon	(Designated Governor for Child Protection – appointed 17 <sup>th</sup> September 2019)
Mr Roger Overend	(Chair of the Education Sub-Committee) (Creative Arts and Music Link) – appointed 20 <sup>th</sup> September 2019
Mr Graham Seddon	(Chair of the Finance Sub-Committee) – appointed 25 <sup>th</sup> November 2019

Patrons:

Mrs P M Holmes  
Commander M E Buchanan, RN (retired)  
Sir Sherard Cowper-Coles KCMG, LVO  
Mr J P Daley  
Mrs K S Morton  
Mr B H Strugnell  
Mrs A Moody  
Mr A Dale

The Headmaster:

Mr G D Spawforth

The Bursar and Clerk to the Governors:

Mrs D A Allen

Address and Registered office:

Ditcham Park  
Petersfield  
Hampshire  
GU31 5RN

Registered Charity Number

285244

Registered Company Number

01648056

Principal Bankers:

NatWest Bank Plc  
4 High Street  
Petersfield  
Hampshire  
GU32 3JF

Senior Statutory Auditor:

Mrs Julie Watts

Auditors:

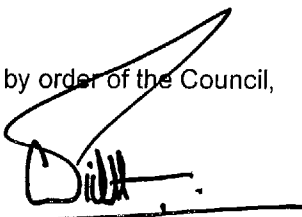
Leonard Gold Chartered Accountants  
Statutory Auditor  
24 Landport Terrace  
Portsmouth  
Hampshire  
PO1 2RG

**AUDITORS**

Leonard Gold will be deemed to continue in office under s487(2) of the Companies Act 2006.

The Governors' Report which includes the Strategic Report was approved by the Council (in their capacity as governors and company directors) on *23 November 2020*.

Signed by order of the Council,

A handwritten signature in black ink, appearing to read 'C J Pickett', is written over a horizontal line.

Mr C J Pickett  
CHAIRMAN

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION - CONTINUED**

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**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Annual Report (including the strategic report).

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

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

**Responsibilities of governors**

As explained more fully in the governors' responsibilities statement set out on page 9 the governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the governors are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the Charity or to cease operations, or to 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 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 final statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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 Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Leonard Gold*

**Mrs Julie Watts (Senior Statutory Auditor)  
for and on behalf of Leonard Gold  
Statutory Auditor  
Chartered Accountants  
24 Landport Terrace  
Portsmouth  
Hampshire  
PO1 2RG**

**Dated: 16 December 2020**

### **Opinion**

We have audited the financial statements of The Ditcham Park School Charity Association for the year ending 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 its incoming resources and application of resources for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the governors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

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

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

We have nothing to report in this regard.

### **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 governors' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the governors' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

	Notes	Unrestricted Funds		Restricted Funds	Total	Total
		General	Designated	Funds		
		2020	2020	2020	2020	2019
		£	£	£	£	£
<b>INCOME</b>						
<b>Income from charitable activities</b>						
Fee income		4,338,027	(94,768)	(8,756)	4,234,503	4,456,217
Other income	3	359,048	-	11,708	370,756	345,273
<b>Income from generated funds</b>						
Investment income		<u>8,155</u>	<u>-</u>	<u>-</u>	<u>8,155</u>	<u>10,497</u>
<b>Total income</b>		<u>4,705,230</u>	<u>(94,768)</u>	<u>2,952</u>	<u>4,613,414</u>	<u>4,811,987</u>
<b>EXPENDITURE</b>						
<b>Cost of generating funds</b>						
Fundraising and publicity	4	55,912	-	-	55,912	48,881
<b>Charitable activities</b>						
Direct charitable expenditure	5	4,048,804	-	-	4,048,804	4,139,683
<b>Support and governance costs</b>	6	<u>478,336</u>	<u>-</u>	<u>-</u>	<u>478,336</u>	<u>425,082</u>
<b>Total expenditure</b>		<u>4,583,052</u>	<u>-</u>	<u>-</u>	<u>4,583,052</u>	<u>4,613,646</u>
<b>Net income before transfers</b>						
<b>Transfers between funds</b>		<u>122,178</u>	<u>(94,768)</u>	<u>2,952</u>	<u>30,362</u>	<u>198,341</u>
<b>Transfers between funds</b>		(94,768)	94,768	-	-	-
<b>Net income before other recognised gains and losses</b>		27,410	-	2,952	30,362	198,341
<b>Loss on revaluation of fixed assets for Charity's own use</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		27,410	-	2,952	30,362	198,341
<b>Total funds brought forward at 1 September 2019</b>		<u>4,421,739</u>	<u>3,201,011</u>	<u>4,584</u>	<u>7,627,334</u>	<u>7,428,993</u>
<b>Total funds carried forward at 31 August 2020</b>		<u>£4,449,149</u>	<u>£3,201,011</u>	<u>£7,536</u>	<u>£7,657,696</u>	<u>£7,627,334</u>

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

All income and expenditure derive from continuing activities.


The notes on pages 18 to 25 form part of these financial statements.

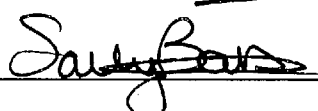


## BALANCE SHEET AS AT 31 AUGUST 2020

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible Assets	9	<u>6,141,270</u>	<u>6,161,585</u>
<b>Current assets</b>			
Stocks		5,763	9,996
Debtors	10	10,040	14,567
Prepayments	10	15,575	50,070
Cash at Bank and In Hand		<u>2,444,400</u>	<u>2,554,581</u>
		2,475,778	2,629,214
<b>Creditors:</b>			
Amounts falling due within one year	11	<u>(650,107)</u>	<u>(758,951)</u>
<b>Net current assets:</b>		<u>1,825,671</u>	<u>1,870,263</u>
<b>Total assets less current liabilities</b>		7,966,941	8,031,848
Creditors: Amounts falling due after more than one year	11	(137,300)	(138,500)
<b>Accruals and deferred income</b>	11	<u>(171,945)</u>	<u>(266,014)</u>
		<u>£7,657,696</u>	<u>£7,627,334</u>
<b>Unrestricted funds</b>	13		
Designated Funds		3,201,011	3,201,011
General Funds		3,159,840	3,132,430
Revaluation Reserve		<u>1,289,309</u>	<u>1,289,309</u>
		7,650,160	7,622,750
<b>Restricted funds</b>	13	<u>7,536</u>	<u>4,584</u>
<b>Total charity funds</b>	13	<u>£7,657,696</u>	<u>£7,627,334</u>

The financial statements were approved by the Council of Governors on 23 November 2020 and signed on its behalf by

  
Mr C J Pickett - Governor

  
Mrs S Barber - Governor

The notes on pages 18 to 25 form part of these financial statements.

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2020

	<u>2020</u>	<u>2019</u>
	£	£
<b>Cash used in operating activities</b>	<u>81,794</u>	<u>541,154</u>
<b>Cash flows from investing activities</b>		
Interest income	8,155	10,497
Purchase of tangible fixed assets	<u>(200,130)</u>	<u>(453,347)</u>
<b>Cash provided by (used in) investing activities</b>	<u>(191,975)</u>	<u>(442,850)</u>
<b>Cash flows from finance activities</b>		
(Decrease)/Increase in cash and cash equivalents in the year	(110,181)	98,304
Cash and cash equivalents at the beginning of the year	<u>2,554,581</u>	<u>2,456,277</u>
<b>Total cash and cash equivalents at the end of the year</b>	<u>£2,444,400</u>	<u>£2,554,581</u>

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

	<u>2020</u>	<u>2019</u>
	£	£
Net movement in funds	30,362	198,341
Add back depreciation charges	223,301	205,547
Loss on disposal of fixed assets	-	-
Deduct interest income shown in investing activities	(8,155)	(10,497)
(Increase)/Decrease in stock	4,233	(1,156)
Decrease/(Increase) in debtors	39,022	50,106
(Decrease)/Increase in creditors	<u>(206,969)</u>	<u>98,813</u>
<b>Net cash used in operating activities</b>	<u>£81,794</u>	<u>541,154</u>

The notes on pages 18 to 25 form part of these financial statements.

**1. STATUTORY INFORMATION**

The Ditcham Park School Charity Association is a private company limited by guarantee, registered in England and Wales. The charity's registered number and registered office address can be found in the Governors' Report.

**2. ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**Basis of Preparation of Accounts**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The Ditcham Park School Charity Association meets the definition of a public benefit entity under FRS102.

**Significant accounting judgements and estimates**

Preparation of the financial statements requires management to make significant judgements and estimates that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the reporting date and that affect the reported amounts of revenue and expenses during the reporting period. In this period, the Governors believe that the critical accounting policies where judgements or estimations are necessarily applied are summarised below:

**Incoming Resources**

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Fee Income**

Fee income and charges for services are accounted for in the period in which the service is provided.

**Donations**

Donations received for the general purposes of the charity are credited to the Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to the Restricted Funds where these wishes are legally binding on the school's Governors.

**Resources Expended**

Resources expended are accounted for on an accruals basis.

**Support and Governance Costs**

Only those costs specifically identified as for the support and governance of the charity are included in the financial statements as such costs.

**Tangible Fixed Assets**

Assets are capitalised as tangible fixed assets when they are intended for use on a continuing basis in the charity's activities, and where their cost exceeds £500.

Depreciation is calculated to write off the cost or valuation of assets less their expected residual values, over their useful economic lives. The following rates are used:-

Land	Not depreciated
Freehold Buildings	Between 2% straight line and 10% straight line
IT Equipment and Software	5%, 10%, 20% and 33 1/3% straight line
Fixtures, Fittings and Other Equipment	10% and 20% straight line and 25% reducing balance

In the past the land was included with freehold buildings and depreciated, however due to the valuation that was carried out in August 2018 the land element is now separately identified and therefore not depreciated. The reduction in the depreciation charge is not material.

## 2. ACCOUNTING POLICIES CONTINUED

### Stocks

Stocks are valued at the lower of cost based on normal levels of activity, and net realisable value.

### Debtors

Fees receivable are recognised at their recoverable amount. Prepayments are valued at the amount prepaid net of any discounts.

### Cash at Bank and In Hand

Cash at bank and cash in hand includes cash and short term highly liquid accounts.

### Creditors

Creditors are recognised where the charity 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 or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

### Pensions

Retirement benefits for the employees of The Ditcham Park School are separated between teaching and support staff pension schemes.

### Teachers Pension Scheme

The School 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 £394,709 (2019:£277,271). At the year end £44,963 (2019:£36,974) 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 at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed an 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.

#### **Support Staff**

Contributions are made into a defined contribution scheme for the non-academic staff. The employer's contribution for the year is a maximum of 10%, in direct correlation to the employees own contribution rate of choice.

The total pension commitment at the balance sheet date was £53,557 (2019: £44,344) which includes TPS.

#### **Leasing Commitments**

Rentals paid under operating leases are charged to the statement of financial activities account on a straight line basis over the lease term.

#### **Financial Instruments**

##### **Financial Assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of financial activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the statement of financial activities.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Financial Liabilities**

Basic financial liabilities, including creditors that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### **Fund Accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Governors.

# THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 - continued

Restricted funds can only be used for particular purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### 3. OTHER INCOME

	<u>2020</u> £	<u>2019</u> £
Transport Fees	132,771	173,509
Miscellaneous Income	237,985	171,764
	<u>£370,756</u>	<u>£345,273</u>

### 4. FUNDRAISING AND PUBLICITY

	<u>2020</u> £	<u>2019</u> £
Marketing Costs	55,912	48,881
	<u>£55,912</u>	<u>£48,881</u>

### 5. DIRECT CHARITABLE EXPENDITURE

	<u>Staff Costs</u> £	<u>Depreciation &amp; Loss on Disposal of Fixed Assets</u> £	<u>Other Costs</u> £	<u>Total 2020</u> £	<u>Total 2019</u> £
Teaching Salaries and Costs	2,698,009	97,621	264,197	3,059,829	3,018,275
Estate Salaries and Costs	134,765	124,028	268,466	527,259	594,860
Transport Costs	-	-	184,227	184,227	246,233
Catering Salaries and Costs	46,539	1,382	143,592	191,513	200,310
Utilities Costs	-	-	85,976	85,976	80,005
	<u>£2,879,313</u>	<u>£223,031</u>	<u>£946,460</u>	<u>£4,048,804</u>	<u>£4,139,683</u>

### 6. SUPPORT AND GOVERNANCE COSTS

	<u>2020</u> £	<u>2019</u> £
Support Costs:		
Salaries and Office Costs	405,536	374,189
Finance	14,289	8,081
Governance Costs:		
Legal and Professional Fees	41,891	24,292
Audit and Accountancy Fees	16,620	18,520
	<u>£478,336</u>	<u>£425,082</u>

#### Total Staff Costs Comprised:

	<u>2020</u> £	<u>2019</u> £
Wages and Salaries	2,470,748	2,408,906
Social Security Costs	245,183	241,442
Pension Costs	465,503	339,364
	<u>£3,181,434</u>	<u>£2,989,712</u>

One employee earned between £60,000 and £70,000 per annum  
One employee earned between £90,000 and £100,000 per annum

# THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 - continued

The average number of employees, analysed by function, was:

	<u>2020</u>	<u>2019</u>
Teaching	53	50
Estate	4	4
Management and Administration of Charity	7	7
Catering	<u>3</u>	<u>-</u>
	<u>67</u>	<u>61</u>

### 7. OPERATING SURPLUS

The operating surplus is stated after charging:

	<u>2020</u> £	<u>2019</u> £
Depreciation of Tangible Fixed Assets and loss on disposal of fixed assets	223,031	205,547
Coach Hire	184,227	246,233
Auditors' - Remuneration	6,000	5,650
- Accountancy	<u>10,020</u>	<u>12,870</u>

### 8. TAXATION

Due to the nature of the charity's activities there is no corporation tax liability arising on the charity's surplus for the year.

### 9. TANGIBLE FIXED ASSETS

	<u>Freehold Land</u> £	<u>Freehold Buildings</u> £	<u>Fixtures Fittings &amp; Other Equipment</u> £	<u>IT Equipment &amp; Software</u> £	<u>Totals</u> £
<b>COST/VALUATION</b>					
At 1 September 2019	1,925,000	3,963,911	441,599	344,571	6,675,081
Additions	-	99,488	11,022	92,206	202,716
	<u>1,925,000</u>	<u>4,063,399</u>	<u>452,621</u>	<u>436,777</u>	<u>6,877,797</u>
<b>DEPRECIATION</b>					
At 1 September 2019	-	115,502	220,683	177,311	513,496
Charge for Year	-	120,034	44,210	58,787	223,031
	<u>-</u>	<u>235,536</u>	<u>264,893</u>	<u>236,098</u>	<u>736,527</u>
<b>NET BOOK VALUES</b>					
At 31 August 2020	<u>1,925,000</u>	<u>3,827,863</u>	<u>187,728</u>	<u>200,679</u>	<u>6,141,270</u>
At 31 August 2019	<u>1,925,000</u>	<u>3,848,409</u>	<u>220,916</u>	<u>167,260</u>	<u>6,161,585</u>

The freehold property and property under construction was professionally revalued on 14 August 2018 by Savills (UK) Limited Chartered Surveyors (Regulated by RICS) on the fair value basis. The freehold property was valued at £5,500,000, of which £1,925,000 was deemed to be the land.

To the best of the knowledge and belief of the Governors the valuation of the freehold property carried out on 14 August 2018 is not materially different to the value of the freehold property at the 31 August 2020. The Governors believe that it is appropriate to reflect this valuation in the financial statements for the year ended 31 August 2020.

# THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 - continued

Revaluations of the freehold land and buildings will be carried out with sufficient regularity to ensure that the fair value is reflected in the accounts.

### 10. DEBTORS

	<u>2020</u>	<u>2019</u>
	£	£
Due within one year:		
Fees Receivable	10,040	14,567
Prepayments and Accrued Income	<u>15,575</u>	<u>50,070</u>
	<u>£25,615</u>	<u>£64,637</u>

There were no amounts falling due after more than one year.

### 11. CREDITORS

Amounts falling due within one year

	<u>2020</u>	<u>2019</u>
	£	£
Fees in Advance	535,324	655,255
Social Security and Pension Costs	<u>114,783</u>	<u>103,696</u>
	650,107	758,951
Other Creditors and Accruals	<u>171,945</u>	<u>266,014</u>
	<u>£822,052</u>	<u>£1,024,965</u>

Amounts falling due after one year:-

Other creditors	<u>£137,300</u>	<u>£138,500</u>
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### 12. COMPANY STRUCTURE AND CONTROLLING PARTY

The charity is a company limited by guarantee and does not have any share capital. The Governors are the controlling party of The Ditcham Park School Charity Association. At the close of 31 August 2020 there are nine Governors who are limited to £1 liability each.

### 13. STATEMENT OF FUNDS

	Balance at 1 September 2019	Incoming Resources	Outgoing Resources (inc losses)	Transfers	Balance at 31 August 2020
	£	£	£	£	£
<b>General Funds</b>					
Unrestricted Fund	3,132,430	4,705,230	(4,583,052)	(94,768)	3,159,840
Revaluation Reserve	1,289,309	-	-	-	1,289,309
<b>Designated Funds</b>					
Bursaries and Scholarships	98,000	(94,768)	-	94,768	98,000
Miscellaneous	3,011	-	-	-	3,011
Capital Equipment					
Replacement Fund	100,000	-	-	-	100,000
Development Fund	<u>3,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,000,000</u>
<b>Total Unrestricted Funds</b>	7,622,750	4,610,462	(4,583,052)	-	7,650,160
<b>Restricted Funds</b>					
Covid 19 Hardship Fund	-	11,708	(8,756)	-	2,952
Miscellaneous	<u>4,584</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,584</u>
<b>Total Restricted Funds</b>	<u>4,584</u>	<u>11,708</u>	<u>(8,756)</u>	<u>-</u>	<u>7,536</u>
<b>Total Funds</b>	<u>£7,627,334</u>	<u>£4,622,170</u>	<u>£4,591,808</u>	<u>-</u>	<u>£7,657,696</u>



# THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 - continued

### ASSETS OF THE FUNDS

	<u>Tangible fixed assets</u> £	<u>Current assets</u> £	<u>Liabilities</u> £	<u>Total</u> £
<b>Unrestricted Funds</b>				
General Fund	4,851,961	(732,769)	(959,352)	3,159,840
Revaluation Reserve	1,289,309	-	-	1,289,309
Designated Funds	-	3,201,011	-	3,201,011
<b>Restricted Funds</b>	-	7,536	-	7,536
	<u>£6,141,270</u>	<u>£2,475,778</u>	<u>£(959,352)</u>	<u>£7,657,696</u>

The General Fund represents the free funds of the Charity which are not designated for any particular purposes.

The Revaluation Reserve is required by the Companies Act 2006 and represents the amount by which the freehold property exceeds its historical cost. Revaluations of the freehold land and buildings will be carried out with sufficient regularity to ensure that the fair value is reflected in the accounts.

The Bursaries and Scholarships Fund – The purpose of this designated fund is to provide support for parents of children at the school who are able to demonstrate financial hardship, in accordance with procedures and criteria laid down by Governors, and in years when the provision within the revenue budget for Bursary Support has been fully committed. The School and Governing body assess the balance of this fund annually, with the target level set at 2% of gross fees.

Development Fund – This fund relates to potential projects that are being evaluated by the School. At the beginning of the financial year the School was in the planning stage of two projects, the redevelopment of the existing theatre and adjacent site to provide a Centre for the Creative Arts, and an extension to the Martin Pryce Sports Hall. The latter project was approved by Governors in the Autumn of 2019 and was scheduled for construction from April 2020, but was postponed temporarily due to the coronavirus (Covid-19) pandemic of March 2020. This capital development is now rescheduled to begin construction in January 2021.

Capital Equipment Replacement Fund – The purpose of this fund is ensure adequacy of monies available to replace large items of capital equipment deemed necessary for the efficient operation of the School, its buildings and grounds.

Covid-19 Hardship Fund – In March 2020 the coronavirus (Covid-19) pandemic resulted in a UK national lockdown by direction of the UK Government. As a result of this most pupil's family incomes were negatively affected. Some self-employed parents were particularly impacted because they were unable to run their own businesses at all but did not benefit from the Government's Coronavirus Job Retention Scheme. Others were not furloughed by their employer but had their working hours reduced. These families advised the School of a short-term cashflow interruption and after a formal application, in addition to the general Summer 2020 term fee variation (reduction) applied by the School, benefited from an allocation of funds from the newly established "Covid-19 Hardship Fund". This enabled their children to remain at the School while their business or employment circumstances recovered after the Government eased lockdown restrictions, from June 2020. The income raised for this hardship fund was donated by a number of other Ditcham Park School families who were less financially impacted, recognising the temporary hardship suffered by some of their fellow parents and wishing to help. The awards made by the School Governors were distributed from these restricted funds received.

### 14. OPERATING LEASE COMMITMENTS

At 31 August 2020 the total of the Charity's future committed payments are:

	<u>2020</u>	<u>2019</u>
Less than one year	9,660	10,660
One to five years	<u>4,379</u>	<u>19,975</u>

**15. INSURANCE**

The charity is covered for Governors' liability to the value of £5,000,000 per claim per period of insurance. The cost is £100 (2019: £1,360 which included costs for public liability).

**16. TRANSACTIONS WITH GOVERNORS**

During the year three governors had children at the school and paid normal fees, one of these Governors did receive a short-term means-tested hardship bursary, assessed on an anonymised basis in common with all other applicants. £1,245 was spent purchasing trophies and services from a business owned by a Governor.

**17. GOVERNORS' REMUNERATION AND EXPENSES**

The Governors neither received nor waived any remuneration in relation to their Governor role during the year (2019: nil).

During the year one governor had expenses reimbursed to them totalling £72, for conferences/courses and associated travel costs.

Towards the end of the year, one Governor was employed by the School as a member of the catering team and their remuneration totalled £263.

**18. POST BALANCE SHEET EVENTS**

The financial statements take into consideration events occurring between 31 August 2020 and the date of their approval by the Council of Governors.

In particular:-

The School has secured finance via the Government's Coronavirus Business Interruption Loan Scheme (BILS) of £1,200,000 from the School's Bankers. As well as the Government guarantee given in relation to this finance, there is a charge over the School's assets.

**19. CAPITAL COMMITMENTS**

At 31 August 2020 there were no capital commitments. (2019 – £nil).