

THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION

REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

COMPANY NUMBER 1648056

REGISTERED CHARITY NUMBER 285244

REGISTERED OFFICE

Ditcham Park, Petersfield, Hampshire, GU31 5RN

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THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION

Governor's Report for the Year Ending 31 August 2023

GOVERNORS' REPORT

Status and Administration

The Board of Governors of The Ditcham Park School Charity Association present their annual directors' report and the audited financial statements for the year ended 31 August 2023 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 2019).

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.

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 420 pupils (including Preschool pupils); it is co-educational and provides a continuous education for children aged from 'rising three' 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 ethos whereby 'Every child is Known and Valued' is founded on outstanding pastoral care, excellent teaching and an all-round approach to education. Our School's aims are to:

1. 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.
2. 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.
3. 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.
4. 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.
5. 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.

Academic 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 carefully considered the Charity Commission's public benefit guidance.

Our key objectives for the year included:

- Adopt and embed a new MIS system (School Base) for the administrative management of the School
- Coordinated by Head of Juniors & Seniors - implementation of a new Teaching & Learning team approach so individuals take responsibility for developing and leading T&L development
- Establish a commercial entity for the purpose of creating additional income streams
- Establish a charitable foundation for the purpose of raising funds for means tested bursaries and capital projects
- Streamline five administrative processes
- Further improve standards of Pupil Welfare and Pastoral Care
- Improve Professional Development & Staff Wellbeing
- Develop our Environment Policy with a 'Sustainable Agenda'
- Continue to develop Sport, Clubs & Activities including House Activities
- Prepare for Inspection

Pastoral Care

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. 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.

Review of Activities and Achievements

The School has enjoyed another stimulating and successful year and further built upon its positive reputation in a wide variety of activities. 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 despite the challenges associated with the current cost of living crisis.

The School celebrated a very good set of GCSE results in August 2023; 56% of all results were graded 9-6 (A*- B) and 97% of results were pass grades 9-4. Headmaster Graham Spawforth commented: "In the context of a return to pre-pandemic grading these are very pleasing results; the product of a lot of hard work from pupils and teachers alike." "Among many strong individual performances particular congratulations go to Holly who achieved 9 grade 9s placing her among some of the highest achieving students in the country."

During the Autumn term, we tweaked the timings of the school day for Juniors and Seniors. Juniors were given 10 minutes longer for their morning break to give more time for pupils to get their wellies and waterproofs on and off for going outside. We introduced a 15-minute Tutor Period for Seniors first thing in the morning. The purpose is to provide each pupil with a positive start to their day with interaction with their tutor and to enable them to be organised and briefed on the day ahead. The mini lesson is now the last session of the day for Seniors. Lessons 1-4 take place in the morning and lesson 5 takes places after lunch. The mini lesson which is used for assemblies/activities/ STEAM/house activities is now the last session of the day. We introduced new day sacks for pupils in Juniors and a new sports/fleece top and black tracksuit bottoms to improve the appearance of our pupils in sports kit. We are doing away with white shorts. We created a new Juniors Library in the junior entrance foyer. Work was started on improving the outdoor play area for Reception. A new floor was put into Dragonflies Pre-School to make it easier to tidy up mess.

We continue to develop our Extra Curricular Activities programme (ECA). We have added more dance classes so we now offer street dance, acro dance and ballet. The Deputy Head of Juniors has produced an ECA booklet to make it easier for parents to see what we offer and when the activities take place.

The Spring Term was a productive term with a number of highlights particularly in the performing arts. We planned and successfully delivered a bold new whole school event – The House Charity Gala Night on 3rd March. It was designed to replace a School Production which we had originally planned to take place this term. The Gala Night involved 150 pupils from Juniors and Seniors singing, dancing, performing with great talent and confidence in front of 180 parents sat around round tables in a cabaret format. House Captains delivered short informative presentations to raise awareness of their chosen House Charities. FDPS organised fundraising activities to raise money for these charities as well as running a bar. This was perhaps the most ambitious performance event the school has undertaken in recent memory involving a great deal of cooperation and teamwork with all aspects of the school community. We delivered a brilliant programme of music which has included participation in the Young Voices event at the O2 in London, Battle of the Bands, Senior Concert, the outstanding House Charity Gala Night and the Petersfield Music Festival.

The Summer Term was a busy and successful term. We opened the new Junior Library and enjoyed World Book Day. Reception class took ownership of a wonderful new outdoor play area. We entered high quality work for ISA essay writing competitions and competed in the English Speaking Union public speaking competition. More of our pupils entered the UK Maths Challenge than ever before. We launched the Ditcham Park School Tennis Academy. We put on a wonderful Junior and Senior Art Exhibition. We welcomed some excellent STEAM speakers which have included a Futurologist and the Musical Director of Hamilton. The Term finished with a very successful whole school STEAM Festival followed by Founder's Day and Prize Giving which was attended by our Founder Paddy Holmes. Guest of Honour was Mandy Hickson a former female top gun in the RAF.

Public Benefit

The Governors confirm that they have complied with their duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission guidance when exercising powers or duties to which this guidance is relevant.

1. Education: During the year, the School has educated 415 children. The academic standard achieved was very high – see the Review of Activities and Achievements above. All leavers gained entrance to the leading School or Sixth Form College of their choice. Pupils at Ditcham Park School are well prepared for the future which is a stated aim so they are able to make significant and worthwhile contributions in later life to the common good, as many of their predecessors have already done.
2. Saving to Public Expense: During the year, all children at the School were educated through the generosity of their families and other benefactors at no cost to the public. The School receives no grant from the exchequer.
3. Bursaries: This year the value of means tested bursaries totalled £139,285 and 2.5% of our gross fees, which provided assistance to 21 of our pupils, of which 2 pupils benefitted from a full remission of fees. During the academic year, we continued to support a total of 3 pupils from the Ukraine who have relocated to the area owing to the ongoing conflict in their country. These pupils have been awarded full remission on all fees which totalled £35,820.
4. Scholarships: In addition, the School awarded scholarships to 65 pupils, based on their educational merit and potential, totalling £95,523 and representing 1.7% 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.
5. Sharing Facilities: 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 Bohunt Sixth Form College, and we accommodate local students who want to do work 'shadowing' in an educational environment. During this financial year, we have worked with a number of local schools who have used our school site to camp as part of their Duke of Edinburgh Award expeditions. A local Hockey club has had use of our sports hall for their winter training sessions. In addition, we held regular webinars for parents of our pupils and others in the community throughout the year on different aspects of school education, such as literacy and reading skills and internet safety. Following the refurbishment of our Junior library we donated a number of items including shelving, books and a piano, to one of our local schools, Harting Junior School
6. Aid to Others: The school oversees a number of activities that aim to raise funds for the schools' chosen charities. Each year, our pupils select a number of charities that they wish to support, and in the year ended 31 August 2023, the school raised a total of £4,834 for a total of eleven different charities (Final Straw Foundation, Refugee Network, Make a Wish Foundation, Save the Children, Cancer Research UK, Roald Dahl's Marvellous Charity, Histiocytosis UK, Wessex Childrens Hospice, The Genie's Wish, Dementia Friendly and Over the Wall).

During the Spring term, the school held its first Charity House Gala Night. This consisted of an evening of music, drama and dance performances showcasing the talents of our pupils and raised a total of £1,857 for some of the charities mentioned above.

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 food donations to the Petersfield Food Bank and distributed to families in the Petersfield area over the festive season.

7. Outreach and Community Access: The School's Senior Leadership Team seek to promote and support the School's programme of "Outreach" whenever possible by developing strong links with local Infant, Primary and Prep Schools in particular. In July 2023 we invited local Primary and Prep School to visit our STEAM Fair so they could see the exciting stands around Science and Technology and meet employers from Google, McLaren, EA Games and the Royal Navy.

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. Our pupils and staff are invested in protecting the planet's future and in summer of 2023 the work of our Eco Committee led to Ditcham Park School being awarded a Green Flag. Governors are mindful of the need to incorporate sustainability into the School's development plans whenever appropriate and practicable.

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.

Following the construction of the extension to the Martin Pryce Sports Hall, which was completed in January 2022, the School is now focussed on improving its provision for the creative arts. During 2020-21, the School had worked in conjunction with the appointed architectural practice and a range of specialist consultants to finalise the design of the School's flagship Centre for the Creative Arts complex, a project that will bring together the art, drama and music departments. The planning application was made in the Autumn of 2021 to construct a new Centre for the Creative Arts building and permission was granted in October 2022.

Financial Results

The financial statements show a net surplus for the year on our School's activities of £389,257. The principal source of income is fees, accounting for 99.4% of the School's income. The net cash increase was £22,734. 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 £3M per year as a result of the attendance at our school by pupils who could otherwise take up a free UK State School place; through direct and indirect tax contributions.

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

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 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 September 2020; as at 31 August 2023, the School had one loan commitment in favour of NatWest bank, related to the CBILs loan. 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 4. The cash flows required to generate the funds needed to finance these investments, whilst simultaneously maintaining the day-to-day operation of the School, are assessed by the School and the Governing Body.

Investments 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 2023 investments were held in interest bearing bank accounts with Natwest, 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, Heads of Year (Pastoral) and a system of staff and pupil mentors, which includes Mental Health Support.

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 work with a third party, Bursary Administration Ltd, and 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 our site. We advertise the availability of these awards on our website and in our prospectus.

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 via a third-party provider to help those who wish to fund educational costs through regular contributions.

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.

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 onsite specialist support 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 and Personnel, 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/COO 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. No 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/COO & Clerk to the Governors to manage the day-to-day operations of the charity.

THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION

Governors' Report 31 August 2023 - continued

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 teaching support staff, whilst under delegated authority, the Bursar/COO 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/COO 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.

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 2024) are Mr Hall, Mrs Pye and Mr Hughes.

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 have continued with a programme of training updates via online webinars since this time. 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.

THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION

Governors' Report 31 August 2023 - continued

Governors and Charity Trustees

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

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| Mr R Overend | (Chair of Governors) (Chair of the Education Sub-Committee) (Creative Arts and Music Link) |
| Mr C J Pickett | (Vice Chair of Governors) (Designated Governor for Health & Safety) |
| Mr J Hall | (Chair of the Building Sub-Committee) |
| Mr G Seddon | (Chair of the Finance & Personnel Sub-Committee) |
| Mrs C Baynes | (Member of the Finance & Personnel Sub-Committee) |
| Mrs L Campbell | (Member of the Education Sub-Committee) (Designated Governor for Child Protection) |
| Mrs N Dentten | (Member of the Finance & Personnel Sub-Committee) |
| Mr G Hughes | (Member of the Building Sub-Committee) |
| Mrs R Parrett | (Member of the Education Sub-Committee) (Deputy Designated Governor for Child Protection) |
| Dr L Pye | (Member of the Building Sub-Committee) |
| Mr A Robinson | (Member of the Education Sub-Committee) – appointed 1 December 2022 |
| Mr P Symonds | (Member of the Finance & Personnel Sub-Committee) (Designated Governor for Data Protection) |

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| 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 |
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| The Headmaster: | Mr G D Spawforth |
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| The Bursar and Clerk to the Governors: | Mr G Jones |
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| Address and Registered office: | Ditcham Park Petersfield Hampshire GU31 5RN |
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| Registered Charity Number | 285244 |
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| Registered Company Number | 01648056 |
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THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION

Governors' Report 31 August 2023 - continued

Principal bankers:

Natwest Bank Plc
4 High Street
Petersfield
Hampshire
GU32 3JF

Senior Statutory Auditor:

Mrs Julie Watts

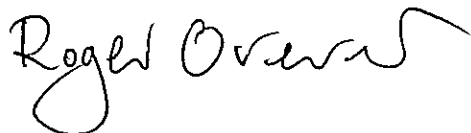
Auditors:

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

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 18/1/24

Signed by order of the Council,



Mr R Overend
CHAIRMAN

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION

Opinion

We have audited the financial statements of The Ditcham Park School Charity Association for the year ending 31 August 2023 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 2023 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

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

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 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not 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 8 the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 charitable company's ability to continue as a going concern, disclosing, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company or to cease operations, or 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.

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:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with governors and other management, and from our commercial knowledge and experience of the School sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the charitable company, including Companies Act 2006, Charities Act 2016, data protection, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team maintained alerts to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2. were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigations and claims;
- reviewing correspondence with HMRC, relevant regulators and the charitable company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the governors and other management and the inspection of regularity and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than this that arise from error as they may involve deliberate concealment or collusion.

Description of the auditor's responsibilities for the audit of the financial statements

The auditor's 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 the auditor's opinion. Reasonable assurance is a high level assurance but is not a guarantee that an audit conducted in accordance with International Standards of Auditing(UK) (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 take n the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the entity's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain certain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override in internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure made by the governors.

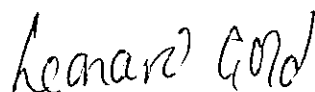
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION - CONTINUED**

- Conclude on the appropriateness of the governors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e gives a true and fair view).

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

Use of our report

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



**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: 31 January 2024

THE DITCHAM PARK SCHOOL CHARITY ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

| | Notes | Unrestricted Funds General 2023 £ | Designated 2023 £ | Restricted Funds 2023 £ | Total 2023 £ | Total 2022 £ |
|------------------------------------------------------------------|-------|--------------------------------------------|-------------------------|----------------------------------|--------------------|--------------------|
| INCOME | | | | | | |
| Income from charitable activities | | | | | | |
| Fee income | | 5,339,588 | (175,105) | - | 5,164,483 | 4,726,801 |
| Other income | 3 | 403,767 | - | - | 403,767 | 371,325 |
| Income from generated funds | | | | | | |
| Investment income | | <u>33,134</u> | <u>-</u> | <u>-</u> | <u>33,134</u> | <u>3,514</u> |
| Total income | | <u>5,776,489</u> | <u>(175,105)</u> | <u>-</u> | <u>5,601,384</u> | <u>5,101,640</u> |
| EXPENDITURE | | | | | | |
| Cost of generating funds | | | | | | |
| Fundraising and publicity | 4 | 48,802 | - | - | 48,802 | 36,812 |
| Charitable activities | | | | | | |
| Direct charitable expenditure | 5 | 4,629,478 | - | - | 4,629,478 | 4,289,080 |
| Support and governance costs | 6 | <u>533,847</u> | <u>-</u> | <u>-</u> | <u>533,847</u> | <u>532,171</u> |
| Total expenditure | | <u>5,212,127</u> | <u>-</u> | <u>-</u> | <u>5,212,127</u> | <u>4,858,063</u> |
| Net income before transfers | | | | | | |
| Between funds | | <u>564,362</u> | <u>(175,105)</u> | <u>-</u> | <u>389,257</u> | <u>243,577</u> |
| Transfers between funds | | (175,105) | 175,105 | - | - | - |
| Net income before other recognised gains and losses | | 389,257 | - | - | 389,257 | 243,577 |
| Loss on revaluation of fixed assets for Charity's own use | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net movement in funds | | 389,257 | - | - | 389,257 | 243,577 |
| Total funds brought forward at 1 September 2022 | | <u>5,202,647</u> | <u>2,852,336</u> | <u>4,584</u> | <u>8,059,567</u> | <u>7,815,990</u> |
| Total funds carried forward at 31 August 2023 | | <u>£5,591,904</u> | <u>£2,852,336</u> | <u>£4,584</u> | <u>£8,448,824</u> | <u>£8,059,567</u> |

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

All income and expenditure derive from continuing activities.

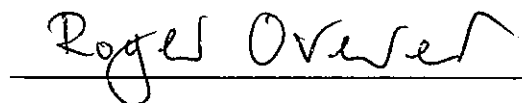
The notes on pages 19 to 28 form part of these financial statements.

BALANCE SHEET AS AT 31 AUGUST 2023

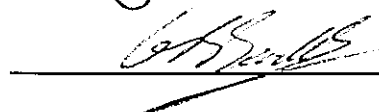
| | <u>Notes</u> | <u>2023</u> £ | <u>2022</u> £ |
|---------------------------------------------------------|--------------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible Assets | 9 | <u>7,148,159</u> | <u>7,188,864</u> |
| Current assets | | | |
| Stocks | | 19,119 | 20,634 |
| Debtors | 10 | 35,884 | 5,638 |
| Prepayments | 10 | 99,144 | 39,583 |
| Cash at Bank and In Hand | | <u>3,047,199</u> | <u>3,024,465</u> |
| | | 3,201,346 | 3,090,320 |
| Creditors: | | | |
| Amounts falling due within one year | 11 | <u>(1,074,358)</u> | <u>(1,009,988)</u> |
| Net current assets: | | <u>2,126,988</u> | <u>2,080,332</u> |
| Total assets less current liabilities | | 9,275,147 | 9,269,196 |
| Creditors: Amounts falling due after more than one year | 11 | (645,300) | (889,000) |
| Accruals and deferred income | 11 | <u>(181,023)</u> | <u>(320,629)</u> |
| | | <u>£8,448,824</u> | <u>£8,059,567</u> |
| Unrestricted funds | 15 | | |
| Designated Funds | | 2,852,336 | 2,852,336 |
| General Funds | | 4,302,595 | 3,913,338 |
| Revaluation Reserve | | <u>1,289,309</u> | <u>1,289,309</u> |
| | | 8,444,240 | 8,054,983 |
| Restricted funds | 15 | <u>4,584</u> | <u>4,584</u> |
| Total charity funds | 15 | <u>£8,448,824</u> | <u>£8,059,567</u> |

The financial statements were approved by the Council of Governors on 18/1/24
by

and signed on its behalf



Mr R Overend - Governor



Mr G Seddon - Governor

The notes on pages 19 to 28 form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2023

| | <u>2023</u> | <u>2022</u> |
|--------------------------------------------------------------------|--------------------------|--------------------------|
| | £ | £ |
| Cash flows from operating activities | <u>435,618</u> | <u>(24,895)</u> |
| Cash flows from investing activities | | |
| Interest income | 33,134 | 3,514 |
| Purchase of tangible fixed assets | <u>(206,018)</u> | <u>(363,542)</u> |
| Net cash from investing activities | <u>(172,884)</u> | <u>(360,028)</u> |
| Cash flows from finance activities | | |
| New loan in year | - | - |
| Repayment of bank loans | <u>(240,000)</u> | <u>(220,000)</u> |
| Net cash from financing activities | <u>(240,000)</u> | <u>(220,000)</u> |
| Increase(Decrease) in cash and cash equivalents in the year | 22,734 | (604,923) |
| Cash and cash equivalents at the beginning of the year | <u>3,024,465</u> | <u>3,629,388</u> |
| Total cash and cash equivalents at the end of the year | <u><u>£3,047,199</u></u> | <u><u>£3,024,465</u></u> |

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

| | <u>2023</u> | <u>2022</u> |
|------------------------------------------------------|------------------------|-------------------------|
| | £ | £ |
| Net movement in funds | 389,257 | 243,577 |
| Add back depreciation charges | 245,216 | 243,893 |
| Add loss on disposal of tangible fixed assets | 1,507 | 536 |
| Deduct interest income shown in investing activities | (33,134) | (3,514) |
| (Increase)/Decrease in stock | 1,515 | (9,864) |
| Decrease/(Increase) in debtors | (89,807) | (10,047) |
| (Decrease)/Increase in creditors | <u>(78,936)</u> | <u>(489,476)</u> |
| Cash generated from operating activities | <u><u>£435,618</u></u> | <u><u>£(24,895)</u></u> |

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 August 2023

| | | |
|---------------------------|-------------------------|-------------------------|
| | 31.8.23 | 1.9.22 |
| | £ | £ |
| Cash and cash equivalents | <u><u>3,047,199</u></u> | <u><u>3,024,465</u></u> |

Year ended 31 August 2022

| | | |
|---------------------------|-------------------------|-------------------------|
| | 31.8.22 | 1.9.21 |
| | £ | £ |
| Cash and cash equivalents | <u><u>3,024,465</u></u> | <u><u>3,629,388</u></u> |

3. ANALYSIS OF CHANGES IN NET DEBT

| | At 1.9.22 £ | Cash flow £ | At 31.08.23 £ |
|---------------------------------|-------------------------|-----------------------|-------------------------|
| Net cash | | | |
| Cash at bank and in hand | <u>3,024,465</u> | <u>22,734</u> | <u>3,047,199</u> |
| | <u>3,024,465</u> | <u>22,734</u> | <u>3,047,199</u> |
| Debt | | | |
| Debts falling due within 1 year | (240,000) | - | (240,000) |
| Debts falling due after 1 year | <u>(740,000)</u> | <u>240,000</u> | <u>(500,000)</u> |
| | <u>(980,000)</u> | <u>240,000</u> | <u>(740,000)</u> |
| Total | <u><u>2,044,465</u></u> | <u><u>262,734</u></u> | <u><u>2,307,199</u></u> |

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 2019) – (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.

Government Grants

Interest paid by the Government on finance acquired by the charity under the Coronavirus Business Interruption Loan Scheme (CBILS) has been recognised in the Statement of Financial Activities as income in the period to which the underlying interest charge relates.

Grants have been received from the Government relating to the Coronavirus Job Retention Scheme during the year. The income is recognised as Grant Income, within Other Income under the accruals method.

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 |

The charity has adopted the revaluation model to revalue items of freehold property whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying value amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professional qualified valuers.

Revaluation gains and losses are recognised in the Statement of Financial Activities and added to reserves in a separate revaluation reserve.

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

Until April 2021 the School participated solely in the Teachers' Pension Scheme ("the TPS") for its teaching staff. From 1st April 2021, due to the rising costs of the employer's Teachers Pension contributions (ERS) the school has introduced an alternative Aviva APTIS pension scheme which is a defined contribution scheme. From 1st April 2021 the School has contributed a maximum of 16.48% into each teacher's chosen scheme. Teachers electing to remain in the TPS do so by self-funding the additional cost of the higher Employers Contribution of 23.68% prescribed by the TPS. From 1st October 2021 the School has moved to a "Phased Withdrawal Status School" with the TPS. The pension charge for the year includes contributions payable to the TPS and Aviva Aptis of £343,755 (2022: £335,645) and at the year-end £39,588 (2022 - £40,254) 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 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution of 28.68%.

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 £49,951 (2022: £48,780) which includes TPS and Aviva Aptis.

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.

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>2023</u> | <u>2022</u> |
|----------------------------------------|-----------------|-----------------|
| | £ | £ |
| Transport Fees | 199,740 | 188,487 |
| Miscellaneous Income | 204,027 | 181,643 |
| Coronavirus Job Retention Scheme Grant | - | 1,195 |
| | <u>£403,767</u> | <u>£371,325</u> |

4. FUNDRAISING AND PUBLICITY

| | <u>2023</u> | <u>2022</u> |
|-----------------|----------------|----------------|
| | £ | £ |
| Marketing Costs | <u>48,802</u> | <u>36,812</u> |
| | <u>£48,802</u> | <u>£36,812</u> |

5. DIRECT CHARITABLE EXPENDITURE

| | <u>Staff</u> | <u>Depreciation &</u> | <u>Other</u> | <u>Total</u> | <u>Total</u> |
|-----------------------------|-------------------|---------------------------|-------------------|-------------------|-------------------|
| | <u>Costs</u> | <u>Loss on Disposal</u> | <u>Costs</u> | <u>2023</u> | <u>2022</u> |
| | £ | of Fixed Assets | £ | £ | £ |
| Teaching Salaries and Costs | 2,898,029 | 107,991 | 321,847 | 3,327,867 | 3,176,037 |
| Estate Salaries and Costs | 151,436 | 137,203 | 349,812 | 638,451 | 541,736 |
| Transport Costs | - | - | 291,349 | 291,349 | 257,929 |
| Catering Salaries and Costs | 117,892 | 1,529 | 146,658 | 266,079 | 222,177 |
| Utilities Costs | - | - | 105,732 | 105,732 | 91,201 |
| | <u>£3,167,357</u> | <u>£246,723</u> | <u>£1,215,398</u> | <u>£4,629,478</u> | <u>£4,289,080</u> |

6. SUPPORT AND GOVERNANCE COSTS

| | <u>2023</u> | <u>2022</u> |
|-----------------------------|-----------------|-----------------|
| | £ | £ |
| Support Costs: | | |
| Salaries and Office Costs | 484,504 | 475,123 |
| Finance | 17,829 | 33,635 |
| Governance Costs: | | |
| Legal and Professional Fees | 10,927 | 9,613 |
| Audit and Accountancy Fees | 18,270 | 13,800 |
| Payroll Fees | 2,317 | - |
| | <u>£533,847</u> | <u>£532,171</u> |

| | <u>2023</u> | <u>2022</u> |
|-------------------------------------|-------------------|-------------------|
| | £ | £ |
| Total Staff Costs Comprised: | | |
| Wages and Salaries | 2,847,015 | 2,723,202 |
| Social Security Costs | 290,501 | 289,173 |
| Pension Costs | 424,392 | 413,121 |
| | <u>£3,561,908</u> | <u>£3,425,496</u> |

One employee earned between £70,000 and £80,000 per annum

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

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

| | <u>2023</u> | <u>2022</u> |
|------------------------------------------|-------------|-------------|
| Teaching | 54 | 53 |
| Estate | 4 | 4 |
| Management and Administration of Charity | 7 | 8 |
| Catering | 4 | 4 |
| | <u>69</u> | <u>69</u> |

7. OPERATING SURPLUS

The operating surplus is stated after charging:

| | <u>2023</u> £ | <u>2022</u> £ |
|----------------------------------------------------------------------------|------------------|------------------|
| Depreciation of Tangible Fixed Assets and loss on disposal of fixed assets | 246,723 | 244,429 |
| Coach Hire | 291,349 | 257,929 |
| Auditors' - Remuneration | 10,332 | 6,200 |
| - Accountancy | <u>7,938</u> | <u>7,600</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 & Other Equipment</u> £ | <u>IT Equipment & Software</u> £ | <u>Totals</u> £ |
|------------------------|-------------------------------|------------------------------------|-----------------------------------------------------------------|-------------------------------------------------|--------------------|
| COST/VALUATION | | | | | |
| At 1 September 2022 | 1,925,000 | 5,394,334 | 489,273 | 539,236 | 8,347,843 |
| Additions | - | 62,508 | 102,486 | 41,024 | 206,018 |
| Disposals | - | - | (5,833) | - | (5,833) |
| | <u>1,925,000</u> | <u>5,456,842</u> | <u>585,926</u> | <u>580,260</u> | <u>8,548,028</u> |
| DEPRECIATION | | | | | |
| At 1 September 2022 | - | 450,761 | 345,962 | 362,256 | 1,158,979 |
| Charge for Year | - | 137,808 | 45,560 | 61,848 | 245,216 |
| Eliminated on disposal | - | - | (4,326) | - | (4,326) |
| | - | <u>588,569</u> | <u>387,196</u> | <u>424,104</u> | <u>1,399,869</u> |
| NET BOOK VALUES | | | | | |
| At 31 August 2023 | <u>1,925,000</u> | <u>4,868,273</u> | <u>198,730</u> | <u>156,156</u> | <u>7,148,159</u> |
| At 31 August 2022 | <u>1,925,000</u> | <u>4,943,573</u> | <u>143,311</u> | <u>176,980</u> | <u>7,188,864</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 and supported by a further valuation carried out by Savills (UK) Limited in October 2023, 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 2023 (taking into account the cost of additions since the valuation was carried out). The Governors believe that it is appropriate to reflect this valuation in the financial statements for the year ended 31 August 2023.

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

10. DEBTORS

| | <u>2023</u> | <u>2022</u> |
|--------------------------------|-----------------|----------------|
| | £ | £ |
| Due within one year: | | |
| Fees Receivable | 35,884 | 5,638 |
| Prepayments and Accrued Income | <u>99,144</u> | <u>39,583</u> |
| | <u>£135,028</u> | <u>£45,221</u> |

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

11. CREDITORS

Amounts falling due within one year

| | <u>2023</u> | <u>2022</u> |
|-----------------------------------|----------------|----------------|
| | £ | £ |
| Bank Loan (see note 12) | 240,000 | 240,000 |
| Fees in Advance | 716,665 | 653,687 |
| Social Security and Pension Costs | <u>117,693</u> | <u>116,301</u> |
| | 1,074,358 | 1,009,988 |

Other Creditors and Accruals

| | |
|-------------------|-------------------|
| 181,023 | 320,629 |
| <u>£1,255,380</u> | <u>£1,330,617</u> |

Amounts falling due after one year:-

| | | |
|-----------------|-----------------|-----------------|
| Bank loan | 500,000 | 740,000 |
| Other creditors | <u>145,300</u> | <u>149,000</u> |
| | <u>£645,300</u> | <u>£889,000</u> |

12. LOANS

An analysis of the maturity of loans is given below:

| | 2023 | 2022 |
|---------------------------------------------------|----------------|----------------|
| | £ | £ |
| Amounts falling due within one year or on demand: | | |
| Bank loan | <u>240,000</u> | <u>240,000</u> |
| Amounts falling due between one and two years: | | |
| Bank loan - 1-2 years | <u>240,000</u> | <u>240,000</u> |
| Amounts falling due between two and five years: | | |
| Bank loan - 2-5 years | <u>260,000</u> | <u>500,000</u> |

13. SECURED DEBTS

The following secured debts are included within creditors:

| | 2023 £ | 2022 £ |
|------------|----------------|----------------|
| Bank loans | <u>740,000</u> | <u>980,000</u> |
| | <u>740,000</u> | <u>980,000</u> |

The bank loan is secured against the School's assets.

14. 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 2023 there are eleven Governors who are limited to £1 liability each.

15. STATEMENT OF FUNDS

| | Balance at 1 September 2022 £ | Incoming Resources £ | Outgoing Resources (inc losses) £ | Transfers £ | Balance at 31 August 2023 £ |
|---------------------------------|-------------------------------------|----------------------------|--------------------------------------------|----------------|-----------------------------------|
| General Funds | | | | | |
| Unrestricted Fund | 3,913,338 | 5,776,489 | (5,212,127) | (175,105) | 4,302,595 |
| Revaluation Reserve | 1,289,309 | - | - | - | 1,289,309 |
| Designated Funds | | | | | |
| Bursaries and Scholarships | 150,000 | (175,105) | - | 175,105 | 150,000 |
| Miscellaneous | 2,336 | - | - | - | 2,336 |
| Capital Equipment | | | | | |
| Replacement Fund | 100,000 | - | - | - | 100,000 |
| Development Fund | <u>2,600,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,600,000</u> |
| Total Unrestricted Funds | 8,054,983 | 5,601,384 | (5,212,127) | - | 8,444,240 |
| Restricted Funds | | | | | |
| Miscellaneous | <u>4,584</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,584</u> |
| Total Restricted Funds | <u>4,584</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,584</u> |
| Total Funds | <u>£8,059,567</u> | <u>£5,601,384</u> | <u>£(5,212,127)</u> | <u>-</u> | <u>£8,448,824</u> |

ASSETS OF THE FUNDS

| | <u>Tangible fixed assets</u> £ | <u>Current assets</u> £ | <u>Liabilities</u> £ | <u>Total</u> £ |
|---------------------------|---------------------------------------|--------------------------------|-------------------------|-------------------|
| Unrestricted Funds | | | | |
| General Fund | 5,858,850 | 344,426 | (1,900,681) | 4,302,595 |
| Revaluation Reserve | 1,289,309 | - | - | 1,289,309 |
| Designated Funds | - | 2,852,336 | - | 2,852,336 |
| Restricted Funds | - | <u>4,584</u> | - | <u>4,584</u> |
| | <u>£7,148,159</u> | <u>£3,201,346</u> | <u>£(1,900,681)</u> | <u>£8,448,824</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. Following the construction of the extension to the Martin Pryce Sports Hall in 2021, the School is now reviewing its options during a time of global economic instability.

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.

16. OPERATING LEASE COMMITMENTS

At 31 August 2023 the total of the Charity's future committed payments are:

| | <u>2023</u> | <u>2022</u> |
|----------------------|-------------|--------------|
| Less than one year | 11,435 | - |
| One to five years | 12,784 | 31,062 |
| More than five years | <u>-</u> | <u>6,750</u> |

17. INSURANCE

The charity is covered for Governors' liability to the value of £5,000,000 per claim per period of insurance. The cost is £850 (2022: £102 which included costs for public liability).

18. TRANSACTIONS WITH GOVERNORS

During the year four governors had children at the school and paid normal fees. £5,298 was spent purchasing trophies and services from a business owned by a Governor.

19. GOVERNORS' REMUNERATION AND EXPENSES

The Governors neither received nor waived any remuneration in relation to their Governor role during the year (2022: nil).

20. POST BALANCE SHEET EVENTS

The financial statements take into consideration events occurring between 31 August 2023 and the date of their approval by the Council of Governors.

21. CAPITAL COMMITMENTS

At 31 August 2023 there was a capital commitment of £Nil. (2022 – £Nil).