SANDS SCHOOL

England & Wales · Charity number 299714

Details

Status	Registered
Legal form	Charitable company
Company number	02274600
Registered	1988-07-19
Register	View on the Charity Commission register

Contact

Address	48 East Street Ashburton Newton Abbot TQ13 7AX
Phone	01364654123
Email	enquiry@sands-school.co.uk
Website	www.sands-school.co.uk

Activities

Objects: TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF EDUCATION AND IN CONNECTION THEREWITH TO CONDUCT, CARRY ON, ACQUIRE AND DEVELOP IN THE UNITED KINGDOM ANY BOARDING OR DAY SCHOOL OR SCHOOLS FOR THE EDUCATION OF CHILDREN OF EITHER SEX OR BOTH SEXES.

Activities: Promote and provide for the advancement of education through the governance of Sands School in the County of Devon

Classification

- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, The General Public/mankind

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Geography

- Devon

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£936,114	£821,198	£666,971	27
2024-07-31	£846,811	£989,136	£552,055	25
2023-07-31	£760,360	£755,030	£694,380	26
2022-07-31	£825,208	£803,845	£679,050	27
2021-07-31	£635,929	£699,181	£657,687	25
2020-07-31	£750,174	£662,081	£722,177	26

Trustees

Name	Role	Appointed
Esther Daniels		2022-04-14
Trudi Browett		2023-05-12
diarmid mackenzie mr		2023-05-12

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SANDS SCHOOL

England & Wales - Charity number 299714

Accounts

darnells
Chartered Accountants and Business Advisers

www.darnells.co.uk
info@darnells.co.uk

Newton Abbot Office
Quay House
Quay Road
NEWTON ABBOT
TQ12 2BU
01626 358500

Totnes Office
30 Fore Street
TOTNES
TQ9 5RP
01803 862446

Exeter Office
3rd Floor
The Forum
Barnfield Road
EXETER
EX1 1QR
01392 493394

21 April 2026

Ms Trudi Browett
Sands School

Email Only: trudi.browett@sands-school.co.uk
Cc: bursar@sands-school.co.uk

TCP/JM/MNWSAN013/2664967

Dear Trudi

Sands School
Revised Accounts for the Year Ended 31 July 2025

Further to Pamela's recent correspondence regarding amendments to the Trustees' report wording, I am pleased to enclose a PDF copy of the full accounts.

If the accounts meet with your approval, and subject to reading my comments below, please sign on pages five and nine as indicated.

On their receipt, I will sign the Independent Examiner's Report and issue you with a bound copy of the accounts. Please let me know if you require further copies.

The other documents sent under cover of my letter dated 16 April remain unchanged, and I look forward to receiving them in due course.

Yours sincerely

Jason Milden
Partner

SANDS SCHOOL

England & Wales - Charity number 299714

Accounts

Charity registration number 299714

Company registration number 02274600 (England and Wales)

SANDS SCHOOL

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

SANDS SCHOOL

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SANDS SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms E Daniels Mr D Mackenzie Ms T Browett
School administrator	Mr S Bellamy
Charity number	299714
Company number	02274600
Principal address	Greylands 48 East Street Ashburton Devon TQ13 7AX
Registered office	30 Fore Street Totnes Devon TQ9 5RP
Independent examiner	Darnells Chartered Accountants Quay House Quay Road Newton Abbot Devon TQ12 2BU
Bankers	Lloyds Bank 31 Fore Street Totnes Devon TQ9 5HH

SANDS SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2024

The Trustees present their annual report and financial statements for the year ended 31 July 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice for charities applying FRS102.

Objectives and activities

The overall objectives and principal activities of the Charity are to promote and provide for the advancement of education of children through the governance of Sands School in the County of Devon.

Sands School is a day school which principally provides education in Ashburton to children from the ages of 11 to 17. Sands is a Democratic School by which we mean a place in which children and staff have the opportunity to be active, voting members, deciding and/or ratifying decisions made by the School meeting and/or other delegated sub-groups. Our intention is thus to help them become contributing members of the wider society, comfortable with their rights and responsibilities.

Our aims for the children's academic development within the School are based on the individual child. We aim to allow the curriculum to be a tool used by the pupil and teacher to make learning rewarding and a good preparation for life beyond school. We offer students the chance to develop an approach to learning that is personalised and encourages critical thinking and creativity. The teaching offers a medium for the development of open-minded and emotionally intelligent children.

Philosophy:

At the heart of our model is the idea that students should help design their place of learning and remain actively involved in the making of its rules and contributing to its philosophy; that students and teachers should be equal partners in the running of the School and that students should map their own route through their school careers with guidance from the adults. The result is a place where play is still important even to 16 year olds, where talking and recreation are valued and students tend to be relaxed, happy and involved in class because they have made a conscious decision to attend.

The average number of pupils in the school for the year was 73 (2023: 75).

Objectives and Strategies for the Year:

We do not have specific objectives in particular years other than to maintain pupil numbers at a level which secures the School's continued viability. Within this objective we endeavour to keep the School as affordable as possible through keeping the fees low, offering means-tested bursaries and securing charitable funding for eligible students.

Every year we promote the advancement of learning through principles of democratic education as the opportunities arise. This includes attending educational events and hosting visitors interested in finding out about democratic education.

Public Benefit:
Trustees and management are aware of the on-going development regarding public benefit and charitable status of Charities and Independent Schools and the Trustees have had due regard to guidance published by the Charity Commission on public benefit.

The School's principle public benefit is in its function of developing the incorporation of democratic principles in education. The School hosts visits from teachers and school groups from across the world to learn about how students can be actively engaged in all aspects of the provision of their education and see the positive impact that this engagement has across school life.

It is one of the principles of the School that as far as possible access to an education at Sands should not be restricted by the ability to pay. This is achieved through a redistributive bursary system, support in accessing funding from other charitable sources and through the very generous willingness of the staff to offer their services for remuneration well below the normal market rates. As a result the school fees are kept relatively low at £12,690 per year compared with the average day school rate of £16,656 (calculated by the Independent Schools Council).

During this year one fifth of the students received bursaries, mostly equivalent to either one quarter or one third of full fees. Although this is the norm, the School can and does offer assistance above this level. Bursaries given by the School totalled £71,952, a figure equivalent to 7.7 per cent of the total fees due.

Achievements and performance
Operational performance
The objectives of the charity are to provide a democratic education to the pupils at Sands School and to promote the benefits of democratic education.

The School does not believe that aggregate exam results or other outcome statistics are a meaningful measure of its performance. Being a small and genuinely inclusive School, pupils outcomes can only be understood at an individual level.

The School normally hosts a large number of visitors interested in democratic education.

Financial review
Results for the Year:

Total unrestricted net school fees and associated income for the year amounted to £818,235 (2023: £726,209). There was a deficit on ordinary continuing activities for the year of £142,325 (2023 surplus of £15,330).

The large deficit reflects the cost of replacing a section of the roof of the main school building in the year with builders costs totalling £181,667.

The principal funding sources of the charity are the parents who send their children to the School.

At 31 July 2024 total funds, which includes buildings and other tangible assets, amounted to £552,055 (2023: £694,380) with restricted funds of £24,582 (2023: 23,000).

Property

The Directors consider that the market value of the land and buildings exceeds the carrying value included in the financial statements by at least £750,000.

Reserves Policy:

The Charities SORP defines reserves as that part of a charity's funds that is freely available to spend. The Charities SORP also specifically allows funds held as tangible fixed assets for charity use to be excluded from reserves. This recognises that certain assets, like our buildings and equipment and mini-buses are used operationally and their disposal would adversely impact on the School's ability to deliver its aims.

For the purposes of this policy reserves are defined as net financial assets, that is, cash deposits less restricted funds, loans and creditors (net of debtors). At the end of this financial year the balance was £204,505 down from £358,636 in the previous year reflecting funds spent replacing part of the roof of the main school building.

The Trustees have agreed that in future the level of reserves held shall be limited to the amount required to meet all of the conditions set out below with any reserves in excess of this being applied for the charitable purposes of the School:

1. Cash flow requirement: after allowing for creditors falling due within one year the School should aim to maintain free cash reserves of between £30,000 and £40,000. Of this up to £10,000 should be held for day-to-day operational needs with the remainder being held on short term deposit. Free cash reserves in excess of this should be used to reduce long term borrowings.
2. Uncertainties: based on past experience the School roll can fall significantly as a result of poor economic conditions and the School needs to be able to survive on a reduced roll for a period of three years without needing to borrow money or cutting costs to a point where the quality of education offered would be significantly diminished. Based on the current operational budget, a fall in roll down to 60 would result in a £165,000 annual loss. However, it is expected that some additional cost reduction would be put in place so a total of £255,000 would be sufficient to cover losses for three years.
3. Strategic requirement: the School may decide in future to undertake developments which would require significant investment. In this case the Trustees would aim to accumulate additional reserves set aside for these developments.

Review of the School's reserves position at 31 July 2024:

Cash flow:

The School has sufficient funds to meet its cash flow requirements for the coming year. Free cash and bank funds stood at £269,048 with creditors falling due within one year of £117,520.

Uncertainties:

Several major infrastructure projects are on the horizon, with further substantial repairs needed to the roof and the science block.

The School is working to anticipate the impact of the imposition of VAT school fees in January 2025.

Strategic requirements:

Ideally the School will need to find significant funds for capital investment over the coming years, in particular for further repair work to the slate roof on the main building.

Policy for 2024-25

The Governors expect to be closer to breakeven following substantial spend this year on the building. The impact of VAT on school fees presents a considerable stress to the School and we hope that work done to find cost savings will enable us to keep the numbers of students enrolled strong.

Investment policy:

The Trustees' policy is to invest surplus cash whenever possible on short term deposit. The Trustees are satisfied that the return is commensurate with the objective of minimising risk.

Risk Management:

The School has considered the principal risks to which it is subject and has taken adequate steps to mitigate those risks. These include an annual review of the financial risks the School may face and the implementation of satisfactory procedures to ensure that the School offers a safe and constructive environment for children.

Key controls include regular risk assessment checks of all areas and regularly reviewed policies, which are available to parents, the Independent Schools Inspectorate and other interested parties.

The Governors are always conscious of the need for the School to operate within its available financial resources and to have adequate working capital.

Plans for future periods

We do not have specific objectives in particular years other than to maintain pupil numbers at a level which secures the School's continued viability. Within this objective we endeavour to keep the School as affordable as possible through keeping the fees low, offering means-tested bursaries and securing charitable funding for eligible students.

Every year we promote the advancement of learning through principles of democratic education as the opportunities arise. This includes attending educational events and hosting visitors interested in finding out about democratic education.

The Governors are working to establish a sensible programme of expenditure on the buildings and grounds to ensure the site fits the needs of the School for years to come.

Structure, governance and management

Sands School is a company limited by guarantee governed by its Memorandum and Articles of Association, and was incorporated on 6 July 1988. It is registered as a charity with the Charity Commission. The liability of the Members is limited. In the event of the Company being wound up every Member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets.

The Trustees, who are also the directors for the purpose of company law, and those who served during the year and up to the date of signature of the financial statements were:

Ms E Daniels
Mr D Mackenzie
Ms T Browett

Appointment of Trustees:

Under the Articles of Association subscribers to the Memorandum of Association and such other persons as the Board of Directors shall admit to membership shall be the Members of the Company. The number of Members shall not exceed 50. In the event of the retirement of a Trustee all Members are invited to nominate candidates.

The members of the Board of Trustees should be appointed by the Company in general meeting. The Board has the power to fill a casual vacancy at any time.

Organisation:

The Board of Trustees (who are also the directors) delegate the management of the affairs of the School to a Board of Governors. The Board of Governors are accountable to the Trustees and are required to operate within the budget and conditions agreed by the Trustees. The power of appointing Governors remains with the Trustees.

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JULY 2024

In accordance with the Conduct of the School as laid out in its Instrument of Government, School management is effected by discussion and consensus and due regard is taken by the Governors of the views and wishes of the staff and pupils on all matters relating to the management, conduct and underlying philosophy of the School and behaviour in the School. Financial matters and decision making is dealt with separately from the students.

The Governors meet once a term (or more often if necessary) and receive reports from the Administrator, the Bursar and the Student Governors. At these meetings Governors officially confirm staff appointments and approve bursary policy and term budgets, but most of the time is usually taken up with comment and advice. The Governors generally support and advise the Administrator and the School Meeting. The day to day management of the School is the responsibility of the Administrator, Sean Bellamy and the Bursar, Pamela Gallamoy.

Trustee Induction and Training:
New Trustees are already familiar with the practical work of the Charity as they are normally recruited from the governing body of Sands School. They are inducted during the course of a normal business meeting by democratic vote. New Trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision making processes, the recent financial performance of the Company and current practice in pursuance of the objects of the Company. Documents made available to them are the Sands School Memorandum and Articles of Association, the Charity Commission's "Welcome" document, the Charity Commission's "CC3 Responsibilities of Charity Trustees" and a Companies House booklet concerned with directors' responsibilities as they relate to Companies House.

The Board remain conscious of the on-going need to make available training (formal or informal) as and when required.

Related Parties:
Sands School is a member of the International Democratic Education Network and co-founder of the European Democratic Education Network.

The Trustees' report was approved by the Board of Trustees.

T Browett (Jan 29, 2025 16:45 GMT)

Ms T Browett
Trustee
Dated: 01/29/2025

SANDS SCHOOL

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF SANDS SCHOOL

I report to the Trustees on my examination of the financial statements of Sands School (the charity) for the year ended 31 July 2024.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or

4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Lisa Dickinson ACA FCCA
Darnells Chartered Accountants
Quay House
Quay Road
Newton Abbot
Devon
TQ12 2BU

Dated: 29 January 2025

SANDS SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:							
Voluntary income	2	4,984	3,072	8,056	30,098	10,000	40,098
Incoming resources from charitable activities	3	818,235	11,820	830,055	726,209	24,234	750,443
Investment income	4	4,597	-	4,597	1,899	-	1,899
Other income	6	4,103	-	4,103	2,154	-	2,154
Total income		831,919	14,892	846,811	760,360	34,234	794,594
Expenditure on:							
Charitable activities	7	975,826	13,310	989,136	755,030	24,234	779,264
Net (expenditure)/income for the year/ Net movement in funds		(143,907)	1,582	(142,325)	5,330	10,000	15,330
Fund balances at 1 August 2023		671,380	23,000	694,380	666,050	13,000	679,050
Fund balances at 31 July 2024		527,473	24,582	552,055	671,380	23,000	694,380

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SANDS SCHOOL

BALANCE SHEET

AS AT 31 JULY 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	13		322,968		312,744
Current assets					
Debtors	14	81,809		79,056	
Cash at bank and in hand		269,048		406,317	
		350,857		485,373	
Creditors: amounts falling due within one year	15	(117,520)		(99,487)	
Net current assets			233,337		385,886
Total assets less current liabilities			556,305		698,630
Provisions for liabilities	16		(4,250)		(4,250)
Net assets			552,055		694,380
Income funds					
Restricted funds	19		24,582		23,000
Unrestricted funds			527,473		671,380
			552,055		694,380

SANDS SCHOOL

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2024

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2024.

The Trustees' acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 01/29/2025

T Trustees (Jan 29, 2025 16:45 GMT)

Ms T Browett
Trustee

Company registration number 02274600

SANDS SCHOOL

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	24		(121,119)		12,519
Investing activities					
Purchase of tangible fixed assets		(20,148)		(28,194)	
Loss on disposal of tangible fixed assets		(599)		1,956	
Interest received		4,597		1,899	
Net cash used in investing activities			(16,150)		(24,339)
Financing activities					
Repayment of bank loans		-		(7,011)	
Net cash used in financing activities			-		(7,011)
Net decrease in cash and cash equivalents			(137,269)		(18,831)
Cash and cash equivalents at beginning of year			406,317		425,148
Cash and cash equivalents at end of year			269,048		406,317

1 Accounting policies

Charity information

Sands School is a private company limited by guarantee incorporated in England and Wales. The registered office is 30 Fore Street, Totnes, Devon, TQ9 5RP. The Charity's place of business is Greylands, 48 East Street, Ashburton, Devon, TQ13 7AX.

1.1 Accounting convention

These accounts have been prepared in accordance with the Charity's Memorandum and Articles of Association, "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 Companies Act 2006 and UK Generally Accepted Accounting Practice. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by funders as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.3 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income from school fees is included in incoming resources in the period that the student has received tuition from the school.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.4 Resources expended

Resources expended are included in the statement of financial activities on an accruals basis, and are recognised when there is a legal or constructive obligation to pay for expenditure.

Certain expenditure is directly attributable to specific functional activities and has been included in those cost categories. Certain other costs, which are attributable to more than one functional activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities or based on the estimated use of the resource concerned or space occupied.

The charity is not registered for VAT. All expenditure is therefore stated inclusive of VAT where applicable.

1 Accounting policies **(Continued)**

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is provided to write off the cost or valuation, less any residual value of all fixed assets except freehold land and buildings over their estimated useful lives. It is calculated at the following rates:-

Plant and machinery	over 4 years on a straight line basis
Fixtures, fittings & equipment	over 5 years on a straight line basis
Motor vehicles	over 5 years on a straight line basis

Freehold land and buildings are not depreciated as in the opinion of the Trustees the useful economic life and residual value are such that any depreciation would be insignificant. Impairment reviews are carried out periodically, and whenever there is evidence that the value of a tangible asset, or class of asset, may be impaired.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.6 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.7 Cash and cash equivalents

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

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies (Continued)

Basic financial assets

Basic financial assets, which include investments, 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the assets expire or are settled or when the Charity transfers the financial assets and substantially all the risks and rewards of ownership to another entity.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 payments 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 obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable 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 recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.9 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.10 Pensions

The Charity contributes to the Teachers' Pension Scheme (England and Wales) at rates set by the Scheme Actuary and advised to Council by the Scheme Administrator.

The Charity also contributes to a defined contribution scheme for staff not within the Teachers' Pension Scheme.

1.11 Leases

Rentals payable under operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to income on a straight line basis over the term of the relevant lease.

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the statement of financial activities on a straight line basis.

1 Accounting policies (Continued)

1.12 Support costs

Support costs include expenses which enable charitable activities and fund generating to be undertaken. These costs include finance and human resources and are allocated on a basis consistent with the use of the resource.

1.13 Governance costs

Governance costs comprise the costs of running the charity, including strategic planning for its future development, any legal advice for the Trustees, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment or to provide termination benefits.

2 Voluntary income

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Donations and gifts	4,984	3,072	8,056	30,098	10,000	40,098
Donations and gifts						
Climbing wall refurbishment	-	1,490	1,490	-	-	-
Music department facilities	-	1,582	1,582	-	-	-
CAF - bursaries for students in need	-	-	-	-	10,000	10,000
Donation of deposits	2,500	-	2,500	30,098	-	30,098
Other	2,484	-	2,484	-	-	-
	4,984	3,072	8,056	30,098	10,000	40,098

3 Incoming resources from charitable activities

	Net school fees and associated income 2024 £	Net school fees and associated income 2023 £
Net school fees and associated income	830,055	750,443
Analysis by fund		
Unrestricted funds	818,235	726,209
Restricted funds	11,820	24,234
	830,055	750,443

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	4,597	1,899

5 Breakdown of Incoming resources

	2024 £	2023 £
Fees Receivable	938,076	847,618
Lunches	14,509	14,727
Buses/ Trips/ Camps	46,963	19,620
Bursaries given	(71,952)	(60,044)
Discounts given	(80,921)	(79,228)
Staff discount	(28,440)	(16,484)
LEA funding	11,820	24,234
	830,055	750,443

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	4,103	2,154

7 Charitable activities

	Costs of operation of school 2024 £	Costs of operation of school 2023 £
Staff costs	435,885	432,485
Depreciation and impairment	9,923	9,431
Supply teachers and cooking contractors	-	565
Counselling costs	1,464	2,395
Books, teaching supplies and exam fees	34,127	37,849
Food and refreshments	13,346	13,048
Camp, trip and educational visit costs	26,324	13,166
(Profit)/Loss on disposal of assets	(599)	1,956
Rent and rates	5,276	4,899
Repairs and cleaning	233,942	30,680
Insurances	11,275	10,426
Light and heat	7,520	12,543
	778,483	569,443
Share of support costs (see note 8)	188,274	189,893
Share of governance costs (see note 8)	22,379	19,928
	989,136	779,264
Analysis by fund		
Unrestricted funds	975,826	755,030
Restricted funds	13,310	24,234
	989,136	779,264

8 Support costs

	Support costs	Governance costs	2024	2023	Basis of allocation
	£	£	£	£	
Staff costs	149,476	-	149,476	145,843	Time spent
Motor running and travelling	10,337	-	10,337	8,287	Direct
Bad debts	3,690	-	3,690	15,320	Direct
Advertising and publicity	310	-	310	350	Direct
Recruitment, training and workshops	10,963	-	10,963	6,961	Direct
Printing, postage and stationery	3,004	-	3,004	5,938	Direct
Telephone and communication	5,301	-	5,301	2,261	Direct
Equipment rental	1,376	-	1,376	2,725	Direct
Bank charges	1,342	-	1,342	977	Direct
Interest payable	-	-	-	324	Direct
Sundries	2,475	-	2,475	907	Direct
Independent examiner's fees - external scrutiny	-	2,280	2,280	2,280	Governance
Independent examiner's fees - other services	-	9,184	9,184	8,687	Governance
Legal, professional and consultancy fees	-	10,619	10,619	8,641	Governance
Sundry governance costs	-	296	296	320	Governance
	188,274	22,379	210,653	209,821	
Analysed between					
Charitable activities	188,274	22,379	210,653	209,821	

Governance costs includes payments to the independent examiner of £2,280 (2023: £2,280) for independent examination fees and £9,184 (2023: £8,687) for other services.

9 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	9,923	9,431

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year (2023: £nil) and no Trustees were reimbursed expenses (2023: £nil).

11 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Teaching	18	18
Administration	3	4
Maintenance	2	1
Counselling	1	1
Cooking	1	1
Total	25	25

Employment costs	2024 £	2023 £
Wages and salaries	499,429	501,212
Social security costs	33,741	33,873
Other pension costs	52,191	43,243
	585,361	578,328

The number of employees during the year equated to full time equivalents of 12.4 for teaching, 2.6 for administration, 1 for maintenance, 0.2 for counselling and 0.35 for cooking.

No redundancy costs were paid in the year (2023: £2,000 was paid to one member of staff).

There were no employees whose annual remuneration was more than £60,000.

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 August 2023	277,865	56,180	103,186	36,303	473,534
Additions	-	2,659	17,489	-	20,148
Disposals	-	(228)	(1,700)	(12,840)	(14,768)
At 31 July 2024	277,865	58,611	118,975	23,463	478,914
Depreciation and impairment					
At 1 August 2023	-	41,453	102,024	17,313	160,790
Depreciation charged in the year	-	5,759	1,898	2,266	9,923
Eliminated in respect of disposals	-	(228)	(1,700)	(12,839)	(14,767)
At 31 July 2024	-	46,984	102,222	6,740	155,946
Carrying amount					
At 31 July 2024	277,865	11,627	16,753	16,723	322,968
At 31 July 2023	277,865	14,727	1,162	18,990	312,744

Based on an assessment of the value of the property with local estate agents and developers the directors are of the opinion that at 31 July 2024 the market value of land and buildings exceeds the carrying value by at least £750,000.

In the opinion of the directors, the net book value of non-depreciable assets included above is in the region of £400,000.

14 Debtors

Amounts falling due within one year:	2024 £	2023 £
Fee debtors	67,467	65,310
Prepayments and accrued income	14,342	13,746
	81,809	79,056

15 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	7,268	1,212
Trade creditors	25,721	30,038
Other creditors	20	20
Deposits helds	47,461	48,761
Accruals and deferred income	37,050	19,456
	117,520	99,487

16 Provisions for liabilities

	2024	2023
	£	£
Brazel judgement - provision for holiday pay for support staff	4,250	4,250

17 Legal status

The Charity is a company limited by guarantee having no share capital. In the event of the winding up, each member agrees to contribute a sum not exceeding £1. The members of the Company are the School governors and include the directors named on page 4. There were six members at 31 July 2024.

18 Retirement benefit schemes

Defined contribution schemes
The School's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the NEST pension scheme for it's non teaching staff.

Contributions of £7,268 were payable at 31 July 2024 (2023: £1,212).

(a) Teachers' Pension Scheme

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 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 rate of 28.68%.

The employers pension costs paid to the TPS in the period amounted to £46,447 (2023: £38,673).

(b) NEST pension scheme
The School also runs a defined contribution scheme for its non teaching staff. The employer's contribution was £5,744 (2023: £4,570) for the year.

19 Restricted funds

The income funds of the charity for the year included the following restricted funds:

	Balance at 1 August 2023	Movement in funds: Incoming resources	Resources expended	Balance at 31 July 2024
	£	£	£	£
Learning support	-	11,820	(11,820)	-
Meadowbrook	13,000	-	-	13,000
Bursaries for students in need	10,000	-	-	10,000
Climbing wall refurbishment	-	1,490	(1,490)	-
Music department facilities	-	1,582	-	1,582
	23,000	14,892	(13,310)	24,582

The restricted funds arise as follows:

Learning support - funds received solely to assist specific pupils.

Meadowbrook - funding received from the Meadowbrook Trust to be used to improve the sports court.

Bursaries for students in need - to ensure an education at Sands School not restrictive.

Climbing wall refurbishment - funds received for refurbishment.

Music department facilities - funds received to improve the music department.

20 Analysis of net assets between funds

	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£
At 31 July 2024:			
Tangible assets	322,968	-	322,968
Current assets/(liabilities)	208,755	24,582	233,337
Provisions	(4,250)	-	(4,250)
	527,473	24,582	552,055

20 Analysis of net assets between funds (Continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 July 2023:			
Tangible assets	312,744	-	312,744
Current assets/(liabilities)	362,886	23,000	385,886
Provisions	(4,250)	-	(4,250)
	671,380	23,000	694,380

21 Events after the reporting date

The new Labour Government has confirmed that the standard 20% VAT rate will be added to independent school fees with effect from 1 January 2025.

22 Related party transactions

During the year the charity entered into no transactions with related parties (2023: none).

23 Analysis of changes in net funds

The charity had no material debt during the year.

24 Cash generated from operations

	2024 £	2023 £
(Deficit)/surplus for the year	(142,325)	15,330
Adjustments for:		
Investment income recognised in statement of financial activities	(4,597)	(1,899)
Gain on disposal of tangible fixed assets	599	-
Depreciation and impairment of tangible fixed assets	9,923	9,431
Movements in working capital:		
(Increase)/decrease in debtors	(2,752)	16,558
Increase/(decrease) in creditors	18,033	(26,901)
Cash (absorbed by)/generated from operations	(121,119)	12,519

SANDS SCHOOL

England & Wales - Charity number 299714

Accounts

Charity registration number 299714

Company registration number 02274600 (England and Wales)

SANDS SCHOOL

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

SANDS SCHOOL

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SANDS SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms E Daniels	
	Mr D Mackenzie	(Appointed 9 February 2023)
	Ms T Browett	(Appointed 9 February 2023)
School administrator	Mr S Bellamy	
Charity number	299714	
Company number	02274600	
Principal address	Greylands 48 East Street Ashburton Devon TQ13 7AX	
Registered office	30 Fore Street Totnes Devon TQ9 5RP	
Independent examiner	Darnells Chartered Accountants Quay House Quay Road Newton Abbot Devon TQ12 2BU	
Bankers	Lloyds Bank 31 Fore Street Totnes Devon TQ9 5HH	

SANDS SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2023

The Trustees present their annual report and financial statements for the year ended 31 July 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice for charities applying FRS102.

Objectives and activities

The overall objectives and principal activities of the Charity are to promote and provide for the advancement of education of children through the governance of Sands School in the County of Devon.

Sands School is a day school which principally provides education in Ashburton to children from the ages of 11 to 17. Sands is a Democratic School by which we mean a place in which children and staff have the opportunity to be active, voting members, deciding and/or ratifying decisions made by the School meeting and/or other delegated sub-groups. Our intention is thus to help them become contributing members of the wider society, comfortable with their rights and responsibilities.

Our aims for the children's academic development within the School are based on the individual child. We aim to allow the curriculum to be a tool used by the pupil and teacher to make learning rewarding and a good preparation for life beyond school. We offer students the chance to develop an approach to learning that is personalised and encourages critical thinking and creativity. The teaching offers a medium for the development of open-minded and emotionally intelligent children.

Philosophy:

At the heart of our model is the idea that students should help design their place of learning and remain actively involved in the making of its rules and contributing to its philosophy; that students and teachers should be equal partners in the running of the School and that students should map their own route through their school careers with guidance from the adults. The result is a place where play is still important even to 16 year olds, where talking and recreation are valued and students tend to be relaxed, happy and involved in class because they have made a conscious decision to attend.

The average number of pupils in the school for the year was 75 (2022: 75).

Objectives and Strategies for the Year:

We do not have specific objectives in particular years other than to maintain pupil numbers at a level which secures the School's continued viability. Within this objective we endeavour to keep the School as affordable as possible through keeping the fees low, offering means-tested bursaries and securing charitable funding for eligible students.

Every year we promote the advancement of learning through principles of democratic education as the opportunities arise. This includes attending educational events and hosting visitors interested in finding out about democratic education.

Public Benefit:
Trustees and management are aware of the on-going development regarding public benefit and charitable status of Charities and Independent Schools and the Trustees have had due regard to guidance published by the Charity Commission on public benefit.

The School's principle public benefit is in its function of developing the incorporation of democratic principles in education. The School hosts visits from teachers and school groups from across the world to learn about how students can be actively engaged in all aspects of the provision of their education and see the positive impact that this engagement has across school life.

It is one of the principles of the School that as far as possible access to an education at Sands should not be restricted by the ability to pay. This is achieved through a redistributive bursary system, support in accessing funding from other charitable sources and through the very generous willingness of the staff to offer their services for remuneration well below the normal market rates. As a result the school fees are kept relatively low at £11,762 per year compared with the average day school rate of £16,374 (calculated by the Independent Schools Council).

During this year one quarter of the students received bursaries, mostly equivalent to either one quarter or one third of full fees. Although this is the norm, the School can and does offer assistance above this level. Bursaries given by the School totalled £60,044, a figure equivalent to 7.1 per cent of the total fees due.

Achievements and performance

Operational performance
The objectives of the charity are to provide a democratic education to the pupils at Sands School and to promote the benefits of democratic education.

The School does not believe that aggregate exam results or other outcome statistics are a meaningful measure of its performance. Being a small and genuinely inclusive School, pupils outcomes can only be understood at an individual level.

The School normally hosts a large number of visitors interested in democratic education and this year played host to the Freedom to Learn Forum.

Financial review

Results for the Year:

Total unrestricted net school fees and associated income for the year amounted to £726,209 (2022: £733,484). There was a surplus on ordinary continuing activities for the year of £15,330 (2022 surplus of £21,363).

The income for 2022 and 2023 reflect a strong increase in the total numbers of students on roll and an increased interest in alternative education.

The principal funding sources of the charity are the parents who send their children to the School.

At 31 July 2023 total funds, which includes buildings and other tangible assets, amounted to £694,380 (2022: £679,050) with restricted funds of £23,000 (2022: 13,000).

Property

The Directors consider that the market value of the land and buildings exceeds the carrying value included in the financial statements by at least £750,000.

Reserves Policy:

The Charities SORP defines reserves as that part of a charity's funds that is freely available to spend. The Charities SORP also specifically allows funds held as tangible fixed assets for charity use to be excluded from reserves. This recognises that certain assets, like our buildings and equipment and mini-buses are used operationally and their disposal would adversely impact on the School's ability to deliver its aims.

For the purposes of this policy reserves are defined as net financial assets, that is, cash deposits less restricted funds, loans and creditors (net of debtors). At the end of this financial year the balance was £358,636 down from £370,113 in the previous year.

The Trustees have agreed that in future the level of reserves held shall be limited to the amount required to meet all of the conditions set out below with any reserves in excess of this being applied for the charitable purposes of the School:

1. Cash flow requirement: after allowing for creditors falling due within one year the School should aim to maintain free cash reserves of between £30,000 and £40,000. Of this up to £10,000 should be held for day-to-day operational needs with the remainder being held on short term deposit. Free cash reserves in excess of this should be used to reduce long term borrowings.
2. Uncertainties: based on past experience the School roll can fall significantly as a result of poor economic conditions and the School needs to be able to survive on a reduced roll for a period of three years without needing to borrow money or cutting costs to a point where the quality of education offered would be significantly diminished. Based on the current operational budget, a fall in roll down to 60 would result in a £100,000 annual loss. However, it is expected that some additional cost reduction would be put in place so a total of £255,000 would be sufficient to cover losses for three years.
3. Strategic requirement: the School may decide in future to undertake developments which would require significant investment. In this case the Trustees would aim to accumulate additional reserves set aside for these developments.

Review of the School's reserves position at 31 July 2023:

Cash flow:

The School has sufficient funds to meet its cash flow requirements for the coming year. Free cash and bank funds stood at £406,317 with creditors falling due within one year of £99,487.

Uncertainties:

Several major infrastructure projects are on the horizon, with repairs needed to the roof, boilers and the science block.

The School is working to anticipate the impact of a potential imposition of VAT on school fees under a Labour government.

Strategic requirements:

Ideally the School will need to find significant funds for capital investment over the coming years, in particular the replacement of the slate roof on the main building.

Policy for 2023-24

The Governors hope to be closer to breakeven with a continued high roll, and are keen to ensure the implementation of any possible cost savings with the possible VAT introduction on the horizon.

Investment policy:

The Trustees' policy is to invest surplus cash whenever possible on short term deposit. The Trustees are satisfied that the return is commensurate with the objective of minimising risk.

Risk Management:

The School has considered the principal risks to which it is subject and has taken adequate steps to mitigate those risks. These include an annual review of the financial risks the School may face and the implementation of satisfactory procedures to ensure that the School offers a safe and constructive environment for children.

Key controls include regular risk assessment checks of all areas and regularly reviewed policies, which are available to parents, the Independent Schools Inspectorate and other interested parties.

The Governors are always conscious of the need for the School to operate within its available financial resources and to have adequate working capital.

Plans for future periods

We do not have specific objectives in particular years other than to maintain pupil numbers at a level which secures the School's continued viability. Within this objective we endeavour to keep the School as affordable as possible through keeping the fees low, offering means-tested bursaries and securing charitable funding for eligible students.

Every year we promote the advancement of learning through principles of democratic education as the opportunities arise. This includes attending educational events and hosting visitors interested in finding out about democratic education.

There are currently no plans for significant changes or investments.

Structure, governance and management

Sands School is a company limited by guarantee governed by its Memorandum and Articles of Association, and was incorporated on 6 July 1988. It is registered as a charity with the Charity Commission. The liability of the Members is limited. In the event of the Company being wound up every Member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets.

The Trustees, who are also the directors for the purpose of company law, and those who served during the year and up to the date of signature of the financial statements were:

Miss A McCarthy-Sommerville	(Resigned 1 May 2023)
Mr E Cohen	(Resigned 1 May 2023)
Ms E Daniels	
Mrs H Bodiley	(Resigned 1 May 2023)
Mr D Mackenzie	(Appointed 9 February 2023)
Ms T Browett	(Appointed 9 February 2023)

Appointment of Trustees:
Under the Articles of Association subscribers to the Memorandum of Association and such other persons as the Board of Directors shall admit to membership shall be the Members of the Company. The number of Members shall not exceed 50. In the event of the retirement of a Trustee all Members are invited to nominate candidates.

The members of the Board of Trustees should be appointed by the Company in general meeting. The Board has the power to fill a casual vacancy at any time.

Organisation:
The Board of Trustees (who are also the directors) delegate the management of the affairs of the School to a Board of Governors. The Board of Governors are accountable to the Trustees and are required to operate within the budget and conditions agreed by the Trustees. The power of appointing Governors remains with the Trustees.

In accordance with the Conduct of the School as laid out in its Instrument of Government, School management is effected by discussion and consensus and due regard is taken by the Governors of the views and wishes of the staff and pupils on all matters relating to the management, conduct and underlying philosophy of the School and behaviour in the School. Financial matters and decision making is dealt with separately from the students.

The Governors meet once a term (or more often if necessary) and receive reports from the Administrator, the Bursar and the Student Governors. At these meetings Governors officially confirm staff appointments and approve bursary policy and term budgets, but most of the time is usually taken up with comment and advice. The Governors generally support and advise the Administrator and the School Meeting. The day to day management of the School is the responsibility of the Administrator, Sean Bellamy and the Bursar, Pamela Gallamoy.

Trustee Induction and Training:
New Trustees are already familiar with the practical work of the Charity as they are normally recruited from the governing body of Sands School. They are inducted during the course of a normal business meeting by democratic vote. New Trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision making processes, the recent financial performance of the Company and current practice in pursuance of the objects of the Company. Documents made available to them are the Sands School Memorandum and Articles of Association, the Charity Commission's "Welcome" document, the Charity Commission's "CC3 Responsibilities of Charity Trustees" and a Companies House booklet concerned with directors' responsibilities as they relate to Companies House.

The Board remain conscious of the on-going need to make available training (formal or informal) as and when required.

Related Parties:
Sands School is a member of the International Democratic Education Network and co-founder of the European Democratic Education Network.

The Trustees' report was approved by the Board of Trustees.

Trudi Browett
Trudi Browett (Apr 25, 2024 12:34 GMT+1)

Ms T Browett
Trustee
Dated: 24 April 2024

SANDS SCHOOL

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF SANDS SCHOOL

I report to the Trustees on my examination of the financial statements of Sands School (the charity) for the year ended 31 July 2023.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

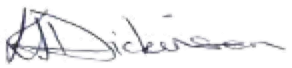
1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or

4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Lisa Dickinson ACA FCCA
Darnells Chartered Accountants
Quay House
Quay Road
Newton Abbot
Devon
TQ12 2BU

Dated: 25 April 2024

SANDS SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Voluntary income	**2**	30,098	10,000	40,098	11,040	-	11,040
Incoming resources from charitable activities	**3**	726,209	24,234	750,443	733,484	79,950	813,434
Investment income	**4**	1,899	-	1,899	82	-	82
Other income	**6**	2,154	-	2,154	652	-	652
Total income		760,360	34,234	794,594	745,258	79,950	825,208
Expenditure on:							
Charitable activities	**7**	755,030	24,234	779,264	714,449	89,396	803,845
Net income for the year/ Net movement in funds		5,330	10,000	15,330	30,809	(9,446)	21,363
Fund balances at 1 August 2022		666,050	13,000	679,050	635,241	22,446	657,687
Fund balances at 31 July 2023		671,380	23,000	694,380	666,050	13,000	679,050

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SANDS SCHOOL

BALANCE SHEET

AS AT 31 JULY 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	**12**		312,744		295,937
Current assets					
Debtors	**13**	79,056		95,614	
Cash at bank and in hand		406,317		425,148	
		485,373		520,762	
Creditors: amounts falling due within one year	**15**	(99,487)		(133,399)	
Net current assets			385,886		387,363
Total assets less current liabilities			698,630		683,300
Provisions for liabilities	**17**		(4,250)		(4,250)
Net assets			694,380		679,050
Income funds					
Restricted funds	**19**		23,000		13,000
Unrestricted funds			671,380		666,050
			694,380		679,050

SANDS SCHOOL

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2023.

The Trustees' acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 24 April 2024

Trudi Browett
Trudi Browett (Apr 25, 2024 12:34 GMT+1)

Ms T Browett
Trustee

Company registration number 02274600

SANDS SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	**22**		12,519		(7,823)
Investing activities					
Purchase of tangible fixed assets		(28,194)		(15,036)	
Loss on disposal of tangible fixed assets		1,956		1	
Interest received		1,899		82	
Net cash used in investing activities			(24,339)		(14,953)
Financing activities					
Repayment of bank loans		(7,011)		(9,171)	
Net cash used in financing activities			(7,011)		(9,171)
Net decrease in cash and cash equivalents			(18,831)		(31,947)
Cash and cash equivalents at beginning of year			425,148		457,095
Cash and cash equivalents at end of year			406,317		425,148

1 Accounting policies

Charity information

Sands School is a private company limited by guarantee incorporated in England and Wales. The registered office is 30 Fore Street, Totnes, Devon, TQ9 5RP. The Charity's place of business is Greylands, 48 East Street, Ashburton, Devon, TQ13 7AX.

1.1 Accounting convention

These accounts have been prepared in accordance with the Charity's Memorandum and Articles of Association, “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 Companies Act 2006 and UK Generally Accepted Accounting Practice. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by funders as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.3 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income from school fees is included in incoming resources in the period that the student has received tuition from the school.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.4 Resources expended

Resources expended are included in the statement of financial activities on an accruals basis, and are recognised when there is a legal or constructive obligation to pay for expenditure.

Certain expenditure is directly attributable to specific functional activities and has been included in those cost categories. Certain other costs, which are attributable to more than one functional activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities or based on the estimated use of the resource concerned or space occupied.

The charity is not registered for VAT. All expenditure is therefore stated inclusive of VAT where applicable.

1 Accounting policies **(Continued)**

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is provided to write off the cost or valuation, less any residual value of all fixed assets except freehold land and buildings over their estimated useful lives. It is calculated at the following rates:-

Plant and machinery	over 4 years on a straight line basis
Fixtures, fittings & equipment	over 5 years on a straight line basis
Motor vehicles	over 5 years on a straight line basis

Freehold land and buildings are not depreciated as in the opinion of the Trustees the useful economic life and residual value are such that any depreciation would be insignificant. Impairment reviews are carried out periodically, and whenever there is evidence that the value of a tangible asset, or class of asset, may be impaired.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.6 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.7 Cash and cash equivalents

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

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies **(Continued)**

Basic financial assets

Basic financial assets, which include investments, 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the assets expire or are settled or when the Charity transfers the financial assets and substantially all the risks and rewards of ownership to another entity.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 payments 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 obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable 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 recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.9 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.10 Pensions

The Charity contributes to the Teachers' Pension Scheme (England and Wales) at rates set by the Scheme Actuary and advised to Council by the Scheme Administrator.

The Charity also contributes to a defined contribution scheme for staff not within the Teachers' Pension Scheme.

1.11 Leases

Rentals payable under operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to income on a straight line basis over the term of the relevant lease.

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the statement of financial activities on a straight line basis.

1 Accounting policies **(Continued)**

1.12 Support costs

Support costs include expenses which enable charitable activities and fund generating to be undertaken. These costs include finance and human resources and are allocated on a basis consistent with the use of the resource.

1.13 Governance costs

Governance costs comprise the costs of running the charity, including strategic planning for its future development, any legal advice for the Trustees, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment or to provide termination benefits.

2 Voluntary income

	Unrestricted funds	**Restricted funds**	**Total**	Unrestricted funds
	2023	**2023**	**2023**	2022
	£	**£**	**£**	£
Donations and gifts	30,098	10,000	40,098	11,040
Donations and gifts				
Leonard Stocks Trust	-	-	-	11,040
CAF - bursaries for students in need	-	10,000	10,000	-
Donations of deposits	30,098	-	30,098	-
	30,098	10,000	40,098	11,040

3 Incoming resources from charitable activities

	Net school fees and associated income 2023 £	Net school fees and associated income 2022 £
Net school fees and associated income	750,443	813,434
Analysis by fund		
Unrestricted funds	726,209	733,484
Restricted funds	24,234	79,950
	750,443	813,434

4 Investment income

	Unrestricted funds 2023 £	**Unrestricted funds 2022 £**
Interest receivable	1,899	82

5 Breakdown of Incoming resources

	2023	2022
	£	£
Fees Receivable	847,618	829,843
Lunches	14,727	14,008
Buses/ Trips/ Camps	19,620	18,672
Bursaries given	(60,044)	(52,470)
Discounts given	(79,228)	(68,002)
Staff discount	(16,484)	(7,567)
LEA funding	24,234	73,575
Europaisher grant	-	5,375
	750,443	813,434

6 Other income

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Other income	2,154	652

7 Charitable activities

	Costs of operation of school 2023 £	Costs of operation of school 2022 £
Staff costs	432,485	461,165
Depreciation and impairment	9,431	6,901
Supply teachers and cooking contractors	565	22,712
Counselling costs	2,395	3,955
Books, teaching supplies and exam fees	37,849	36,535
Food and refreshments	13,048	11,654
Camp, trip and educational visit costs	13,166	23,366
(Profit)/Loss on disposal of assets	1,956	1
Rent and rates	4,899	5,422
Repairs and cleaning	30,680	50,156
Insurances	10,426	8,953
Light and heat	12,543	10,167
	569,443	640,987
Share of support costs (see note 8)	189,893	144,523
Share of governance costs (see note 8)	19,928	18,335
	779,264	803,845
Analysis by fund		
Unrestricted funds	755,030	714,449
Restricted funds	24,234	89,396
	779,264	803,845

8 Support costs

	Support costs	Governance costs	2023	2022	Basis of allocation
	£	£	£	£	
Staff costs	145,843	-	145,843	110,358	Time spent
Motor running and travelling	8,287	-	8,287	6,837	Direct
Bad debts	15,320	-	15,320	7,120	Direct
Advertising and publicity	350	-	350	250	Direct
Recruitment, training and workshops	6,961	-	6,961	4,068	Direct
Printing, postage and stationery	5,938	-	5,938	7,187	Direct
Telephone and communication	2,261	-	2,261	1,798	Direct
Equipment rental	2,725	-	2,725	3,884	Direct
Bank charges	977	-	977	1,120	Direct
Interest payable	324	-	324	685	Direct
Sundries	907	-	907	1,216	Direct
Independent examiner's fees - external scrutiny	-	2,280	2,280	2,280	Governance
Independent examiner's fees - other services	-	8,687	8,687	7,396	Governance
Legal, professional and consultancy fees	-	8,641	8,641	8,659	Governance
Sundry governance costs	-	320	320	-	Governance
	189,893	19,928	209,821	162,858	
Analysed between					
Charitable activities	189,893	19,928	209,821	162,858	

Governance costs includes payments to the independent examiner of £2,280 (2022: £2,280) for independent examination fees and £8,687 (2022: £7,396) for other services.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year (2022: £nil) and no Trustees were reimbursed expenses (2022: £nil).

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Teaching	19	21
Administration	4	4
Maintenance	1	1
Counselling	1	1
Total	25	27

Employment costs	2023 £	2022 £
Wages and salaries	501,212	498,010
Social security costs	33,873	33,163
Other pension costs	43,243	40,350
	578,328	571,523

Redundancy costs of £2,000 were paid to one member of staff in the year (2022: £3,685 was paid to three members of staff).

There were no employees whose annual remuneration was more than £60,000.

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 August 2022	277,865	55,946	113,728	20,823	468,362
Additions	-	12,163	551	15,480	28,194
Disposals	-	(11,929)	(11,093)	-	(23,022)
At 31 July 2023	277,865	56,180	103,186	36,303	473,534
Depreciation and impairment					
At 1 August 2022	-	44,666	112,712	15,047	172,425
Depreciation charged in the year	-	6,770	395	2,266	9,431
Eliminated in respect of disposals	-	(9,983)	(11,083)	-	(21,066)
At 31 July 2023	-	41,453	102,024	17,313	160,790
Carrying amount					
At 31 July 2023	277,865	14,727	1,162	18,990	312,744
At 31 July 2022	277,865	11,280	1,016	5,776	295,937

Based on an assessment of the value of the property with local estate agents and developers the directors are of the opinion that at 31 July 2023 the market value of land and buildings exceeds the carrying value by at least £750,000.

In the opinion of the directors, the net book value of non-depreciable assets included above is in the region of £400,000.

13 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Fee debtors	65,310	79,145
Other debtors	-	5,375
Prepayments and accrued income	13,746	11,094
	79,056	95,614

14 Loans and overdrafts

	2023	2022
	£	£
Bank loans	-	7,011
Payable within one year	-	7,011

14 Loans and overdrafts **(Continued)**

The bank loan was secured by a fixed and floating charge over the company's freehold property and was repayable by instalments over a period of 20 years commencing 2 April 2003 at a fixed rate of interest of 7.01493%.

15 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans	**14**	-	7,011
Other taxation and social security		1,212	2,466
Trade creditors		30,038	21,398
Other creditors		20	87
Deposits helds		48,761	74,251
Accruals and deferred income		19,456	28,186
		99,487	133,399

16 Provisions for liabilities

	2023 £	2022 £
Brazel judgement - provision for holiday pay for support staff	4,250	4,250

17 Legal status

The Charity is a company limited by guarantee having no share capital. In the event of the winding up, each member agrees to contribute a sum not exceeding £1. The members of the Company are the School governors and include the directors named on page 4. There were five members at 31 July 2023.

18 Retirement benefit schemes

Defined contribution schemes

The School's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the NEST pension scheme for it's non teaching staff.

Contributions of £1,212 were payable at 31 July 2023 (2022: £2,466).

(a) Teachers' Pension Scheme

Introduction

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 based upon 2020 data. The outcome confirms a need to increase the employer contribution rate by 5 percentage points from 1 April 2024 to ensure that the Scheme continues to meet present and future obligations. The Department of Education appreciated that the result means Independent Schools that participate in the Scheme will be faced with additional costs that aren't funded. It's hoped that the information shared, previously will have helped in planning for the change,

The employers pension costs paid to the TPS in the period amounted to £38,673 (2022: £34,282).

(b) NEST pension scheme

The School also runs a defined contribution scheme for its non teaching staff. The employer's contribution was £4,570 (2022: £6,068) for the year.

19 Restricted funds

The income funds of the charity for the year included the following restricted funds:

		Movement in funds		
	Balance at 1 August 2022	Incoming resources	Resources expended	Balance at 31 July 2023
	£	£	£	£
Learning support	-	24,234	(24,234)	-
Meadowbrook	13,000	-	-	13,000
Bursaries for students in need	-	10,000	-	10,000
	13,000	34,234	(24,234)	23,000

The restricted funds arise as follows:

Learning support - funds received solely to assist specific pupils.

Meadowbrook - funding received from the Meadowbrook Trust to be used to improve the sports court.

Bursaries for students in need - to ensure an education at Sands School not restrictive.

20 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 July 2023 are represented by:						
Tangible assets	312,744	-	312,744	295,937	-	295,937
Current assets/(liabilities)	362,886	23,000	385,886	374,363	13,000	387,363
Provisions	(4,250)	-	(4,250)	(4,250)	-	(4,250)
	671,380	23,000	694,380	666,050	13,000	679,050

21 Related party transactions

During the year the charity entered into no transactions with related parties (2022: none).

22 Cash generated from operations

	2023 £	2022 £
Surplus for the year	15,330	21,363
Adjustments for:		
Investment income recognised in statement of financial activities	(1,899)	(82)
Depreciation and impairment of tangible fixed assets	9,431	6,901
Movements in working capital:		
Decrease/(increase) in debtors	16,558	(27,293)
(Decrease) in creditors	(26,901)	(12,962)
(Decrease) in provisions	-	4,250
Cash generated from/(absorbed by) operations	12,519	(7,823)

23 Analysis of changes in net funds

	At 1 August 2022 £	Cash flows £	At 31 July 2023 £
Cash at bank and in hand	425,148	(18,831)	406,317
Loans falling due within one year	(7,011)	7,011	-
	418,137	(11,820)	406,317

2023 Final Accounts for Signature - Sands School

Final Audit Report 2024-04-25

Created:	2024-04-25
By:	Emilie Feaver (emilie.feaver@darnells.co.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAAX5CmUsV4_dtfW3gEur8XOWBBrL3snPD8

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2024-04-25 - 11:34:38 AM GMT

SANDS SCHOOL

England & Wales - Charity number 299714

Accounts

Charity registration number 299714

Company registration number 02274600 (England and Wales)

SANDS SCHOOL

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

SANDS SCHOOL

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SANDS SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Miss A McCarthy-Sommerville	
	Mr E Cohen	
	E Daniels	(Appointed 14 April 2022)
	Mrs H Bodiley	(Appointed 14 April 2022)
	Mr D Mackenzie	(Appointed 9 February 2023)
	Ms T Browett	(Appointed 9 February 2023)
School administrator	Mr S Bellamy	
Charity number	299714	
Company number	02274600	
Principal address	Greylands 48 East Street Ashburton Devon TQ13 7AX	
Registered office	30 Fore Street Totnes Devon TQ9 5RP	
Independent examiner	Darnells Chartered Accountants Quay House Quay Road Newton Abbot Devon TQ12 2BU	
Bankers	Lloyds Bank 31 Fore Street Totnes Devon TQ9 5HH	

SANDS SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2022

The Trustees present their annual report and financial statements for the year ended 31 July 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice for charities applying FRS102.

Objectives and activities

The overall objectives and principal activities of the Charity are to promote and provide for the advancement of education of children through the governance of Sands School in the County of Devon.

Sands School is a day school which principally provides education in Ashburton to children from the ages of 11 to 17. Sands is a Democratic School by which we mean a place in which children and staff have the opportunity to be active, voting members, deciding and/or ratifying decisions made by the School meeting and/or other delegated sub-groups. Our intention is thus to help them become contributing members of the wider society, comfortable with their rights and responsibilities.

Our aims for the children's academic development within the School are based on the individual child. We aim to allow the curriculum to be a tool used by the pupil and teacher to make learning rewarding and a good preparation for life beyond school. We offer students the chance to develop an approach to learning that is personalised and encourages critical thinking and creativity. The teaching offers a medium for the development of open-minded and emotionally intelligent children.

Philosophy:

At the heart of our model is the idea that students should help design their place of learning and remain actively involved in the making of its rules and contributing to its philosophy; that students and teachers should be equal partners in the running of the School and that students should map their own route through their school careers with guidance from the adults. The result is a place where play is still important even to 16 year olds, where talking and recreation are valued and students tend to be relaxed, happy and involved in class because they have made a conscious decision to attend.

The average number of pupils in the school for the year was 75 (2021: 63).

Objectives and Strategies for the Year:

We do not have specific objectives in particular years other than to maintain pupil numbers at a level which secures the School's continued viability. Within this objective we endeavour to keep the School as affordable as possible through keeping the fees low, offering means-tested bursaries and securing charitable funding for eligible students.

Every year we promote the advancement of learning through principles of democratic education as the opportunities arise. This includes attending educational events and hosting visitors interested in finding out about democratic education.

Public Benefit:
Trustees and management are aware of the on-going development regarding public benefit and charitable status of Charities and Independent Schools and the Trustees have had due regard to guidance published by the Charity Commission on public benefit.

The School's principle public benefit is in its function of developing the incorporation of democratic principles in education. The School hosts visits from teachers and school groups from across the world to learn about how students can be actively engaged in all aspects of the provision of their education and see the positive impact that this engagement has across school life.

It is one of the principles of the School that as far as possible access to an education at Sands should not be restricted by the ability to pay. This is achieved through a redistributive bursary system, support in accessing funding from other charitable sources and through the very generous willingness of the staff to offer their services for remuneration well below the normal market rates. As a result the school fees are kept relatively low at £11,316 per year compared with the average day school rate of £15,655 (calculated by the Independent Schools Council).

During this year one third of the students received bursaries, mostly equivalent to either one quarter or one third of full fees. Although this is the norm, the School can and does offer assistance above this level. Bursaries given by the School totalled £52,470, a figure equivalent to 6.1 per cent of the total fees due.

The School is very keen and open to being a part of our local community. Thanks to some very generous help our newly renovated sports court is now available for use by the neighbouring state primary school and as a public tennis court.

Achievements and performance
Operational performance
The objectives of the charity are to provide a democratic education to the pupils at Sands School and to promote the benefits of democratic education.

The School does not believe that aggregate exam results or other outcome statistics are a meaningful measure of its performance. Being a small and genuinely inclusive School, pupils outcomes can only be understood at an individual level.

The School normally hosts a large number of visitors interested in democratic education but this was curtailed by the COVID 19 pandemic.

Financial review
Results for the Year:

Total unrestricted net school fees and associated income for the year amounted to £733,484 (2021: £557,739). There was a surplus on ordinary continuing activities for the year of £21,363 (2021 deficit of £64,490).

The results reflect a strong increase in the total numbers of students on roll following the pandemic, and an increased interest in alternative education provision following the experiences of lockdown.

The principal funding sources of the charity are the parents who send their children to the School.

At 31 July 2022 total funds, which includes buildings and other tangible assets, amounted to £679,050 (2021: £657,687) with restricted funds of £13,000 (2021: 22,446).

Property

The Directors consider that the market value of the land and buildings exceeds the carrying value included in the financial statements by at least £750,000.

Reserves Policy:

The Charities SORP defines reserves as that part of a charity's funds that is freely available to spend. The Charities SORP also specifically allows funds held as tangible fixed assets for charity use to be excluded from reserves. This recognises that certain assets, like our buildings and equipment and mini-buses are used operationally and their disposal would adversely impact on the School's ability to deliver its aims.

For the purposes of this policy reserves are defined as net financial assets, that is, cash deposits less restricted funds, loans and creditors (net of debtors). At the end of this financial year the balance was £370,113 up from £347,438 in the previous year.

The Trustees have agreed that in future the level of reserves held shall be limited to the amount required to meet all of the conditions set out below with any reserves in excess of this being applied for the charitable purposes of the School:

1. Cash flow requirement: after allowing for creditors falling due within one year the School should aim to maintain free cash reserves of between £30,000 and £40,000. Of this up to £10,000 should be held for day- to-day operational needs with the remainder being held on short term deposit. Free cash reserves in excess of this should be used to reduce long term borrowings.
2. Uncertainties: based on past experience the School roll can fall significantly as a result of poor economic conditions and the School needs to be able to survive on a reduced roll for a period of three years without needing to borrow money or cutting costs to a point where the quality of education offered would be significantly diminished. Based on the current operational budget, a fall in roll down to 60 would result in a £100,000 annual loss. However, it is expected that some additional cost reduction would be put in place so a total of £255,000 would be sufficient to cover losses for three years.
3. Strategic requirement: the School may decide in future to undertake developments which would require significant investment. In this case the Trustees would aim to accumulate additional reserves set aside for these developments.

Review of the School's reserves position at 31 July 2022:

Cash flow:

The School has sufficient funds to meet its cash flow requirements for the coming year. Free cash and bank funds stood at £425,148 with creditors falling due within one year of £133,399.

Uncertainties:

Although the COVID pandemic has continued to affect the School in other ways there was a significant recovery in recruitment for the start of 2021-22 with a full intake year and many other year groups full. There are expected to be continuing costs directly associated with the pandemic, principally maintaining a higher than normal level of staffing to cover staff absence due to illness and to support students having to learn remotely.

Strategic requirements:

Ideally the School will need to find significant funds for capital investment over the coming years, in particular the replacement of the slate roof on the main building.

Policy for 2022-23

The Governors expect to be closer to breakeven with additional temporary staffing being largely offset by the recovery in roll.

Investment policy:

The Trustees' policy is to invest surplus cash whenever possible on short term deposit. The Trustees are satisfied that the return is commensurate with the objective of minimising risk.

Risk Management:

The School has considered the principal risks to which it is subject and has taken adequate steps to mitigate those risks. These include an annual review of the financial risks the School may face and the implementation of satisfactory procedures to ensure that the School offers a safe and constructive environment for children.

Key controls include regular risk assessment checks of all areas and regularly reviewed policies, which are available to parents, the Independent Schools Inspectorate and other interested parties.

The Governors are always conscious of the need for the School to operate within its available financial resources and to have adequate working capital.

Plans for future periods

We do not have specific objectives in particular years other than to maintain pupil numbers at a level which secures the School's continued viability. Within this objective we endeavour to keep the School as affordable as possible through keeping the fees low, offering means-tested bursaries and securing charitable funding for eligible students.

Every year we promote the advancement of learning through principles of democratic education as the opportunities arise. This includes attending educational events and hosting visitors interested in finding out about democratic education.

There are currently no plans for significant changes or investments.

Structure, governance and management

Sands School is a company limited by guarantee governed by its Memorandum and Articles of Association, and was incorporated on 6 July 1988. It is registered as a charity with the Charity Commission. The liability of the Members is limited. In the event of the Company being wound up every Member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets.

The Trustees, who are also the directors for the purpose of company law, and those who served during the year and up to the date of signature of the financial statements were:

Miss A McCarthy-Sommerville	
Mr E Cohen	
S Bolton	(Appointed 14 April 2022 and resigned 12 June 2022)
E Daniels	(Appointed 14 April 2022)
Mrs H Bodiley	(Appointed 14 April 2022)
Mr D Mackenzie	(Appointed 9 February 2023)
Ms T Browett	(Appointed 9 February 2023)

Appointment of Trustees:
Under the Articles of Association subscribers to the Memorandum of Association and such other persons as the Board of Directors shall admit to membership shall be the Members of the Company. The number of Members shall not exceed 50. In the event of the retirement of a Trustee all Members are invited to nominate candidates.

The members of the Board of Trustees should be appointed by the Company in general meeting. The Board has the power to fill a casual vacancy at any time.

Organisation:
The Board of Trustees (who are also the directors) delegate the management of the affairs of the School to a Board of Governors. The Board of Governors are accountable to the Trustees and are required to operate within the budget and conditions agreed by the Trustees. The power of appointing Governors remains with the Trustees.

In accordance with the Conduct of the School as laid out in its Instrument of Government, School management is effected by discussion and consensus and due regard is taken by the Governors of the views and wishes of the staff and pupils on all matters relating to the management, conduct and underlying philosophy of the School and behaviour in the School. Financial matters and decision making is dealt with separately from the students.

The Governors meet once a term (or more often if necessary) and receive reports from the Administrator, the Bursar and the Student Governors. At these meetings Governors officially confirm staff appointments and approve bursary policy and term budgets, but most of the time is usually taken up with comment and advice. The Governors generally support and advise the Administrator and the School Meeting. The day to day management of the School is the responsibility of the Administrator, Sean Bellamy and the Bursar, Pamela Gallamoy.

Trustee Induction and Training:
New Trustees are already familiar with the practical work of the Charity as they are normally recruited from the governing body of Sands School. They are inducted during the course of a normal business meeting by democratic vote. New Trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision making processes, the recent financial performance of the Company and current practice in pursuance of the objects of the Company. Documents made available to them are the Sands School Memorandum and Articles of Association, the Charity Commission's "Welcome" document, the Charity Commission's "CC3 Responsibilities of Charity Trustees" and a Companies House booklet concerned with directors' responsibilities as they relate to Companies House.

The Board remain conscious of the on-going need to make available training (formal or informal) as and when required.

Related Parties:
Sands School is a member of the International Democratic Education Network and co-founder of the European Democratic Education Network.

The Trustees' report was approved by the Board of Trustees.

E Daniels
Trustee
Dated: 12 April 2023

SANDS SCHOOL

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF SANDS SCHOOL

I report to the Trustees on my examination of the financial statements of Sands School (the charity) for the year ended 31 July 2022.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2 the financial statements do not accord with those records; or
3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Darnells

Lisa Dickinson ACA FCCA
Darnells Chartered Accountants
Quay House
Quay Road
Newton Abbot
Devon
TQ12 2BU

Dated: 14 April 2023

SANDS SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Voluntary income	2	11,040	-	11,040	1,505	-	1,505
Incoming resources from charitable activities	3	733,484	79,950	813,434	557,739	51,091	608,830
Investment income	4	82	-	82	145	-	145
Other income	6	652	-	652	25,449	-	25,449
Total income		745,258	79,950	825,208	584,838	51,091	635,929
Expenditure on:							
Charitable activities	7	714,449	89,396	803,845	648,090	51,091	699,181
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		30,809	(9,446)	21,363	(63,252)	-	(63,252)
Other recognised gains and losses							
Other gains or losses	11	-	-	-	(1,238)	-	(1,238)
Net movement in funds		30,809	(9,446)	21,363	(64,490)	-	(64,490)
Fund balances at 1 August 2021		635,241	22,446	657,687	699,731	22,446	722,177
Fund balances at 31 July 2022		666,050	13,000	679,050	635,241	22,446	657,687

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SANDS SCHOOL

BALANCE SHEET

AS AT 31 JULY 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	**12**		295,937		287,803
Current assets					
Debtors	**13**	95,614		68,321	
Cash at bank and in hand		425,148		457,095	
		520,762		525,416	
Creditors: amounts falling due within one year	**15**	(133,399)		(147,752)	
Net current assets			387,363		377,664
Total assets less current liabilities			683,300		665,467
Creditors: amounts falling due after more than one year	**16**		-		(7,780)
Provisions for liabilities	**17**		(4,250)		-
Net assets			679,050		657,687
Income funds					
Restricted funds	**20**		13,000		22,446
Unrestricted funds			666,050		635,241
			679,050		657,687

SANDS SCHOOL

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2022

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2022.

The Trustees' acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 12 April 2023

E Daniels
Trustee

Company registration number 02274600

SANDS SCHOOL

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	23		(7,823)		125,164
Investing activities					
Purchase of tangible fixed assets		(15,036)		(5,086)	
Proceeds on disposal of tangible fixed assets		1		-	
Interest received		82		145	
Net cash used in investing activities			(14,953)		(4,941)
Financing activities					
Repayment of bank loans		(9,171)		(8,394)	
Net cash used in financing activities			(9,171)		(8,394)
Net (decrease)/increase in cash and cash equivalents			(31,947)		111,829
Cash and cash equivalents at beginning of year			457,095		345,266
Cash and cash equivalents at end of year			425,148		457,095

1 Accounting policies

Charity information

Sands School is a private company limited by guarantee incorporated in England and Wales. The registered office is 30 Fore Street, Totnes, Devon, TQ9 5RP. The Charity's place of business is Greylands, 48 East Street, Ashburton, Devon, TQ13 7AX.

1.1 Accounting convention

These accounts have been prepared in accordance with the Charity's Memorandum and Articles of Association, "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 Companies Act 2006 and UK Generally Accepted Accounting Practice. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by funders as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.3 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income from school fees is included in incoming resources in the period that the student has received tuition from the school.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.4 Resources expended

Resources expended are included in the statement of financial activities on an accruals basis, and are recognised when there is a legal or constructive obligation to pay for expenditure.

Certain expenditure is directly attributable to specific functional activities and has been included in those cost categories. Certain other costs, which are attributable to more than one functional activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities or based on the estimated use of the resource concerned or space occupied.

The charity is not registered for VAT. All expenditure is therefore stated inclusive of VAT where applicable.

1 Accounting policies **(Continued)**

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is provided to write off the cost or valuation, less any residual value of all fixed assets except freehold land and buildings over their estimated useful lives. It is calculated at the following rates:-

Plant and machinery	over 4 years on a straight line basis
Fixtures, fittings & equipment	over 5 years on a straight line basis
Motor vehicles	over 5 years on a straight line basis

Freehold land and buildings are not depreciated as in the opinion of the Trustees the useful economic life and residual value are such that any depreciation would be insignificant. Impairment reviews are carried out periodically, and whenever there is evidence that the value of a tangible asset, or class of asset, may be impaired.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.6 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.7 Cash and cash equivalents

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

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 **Accounting policies** **(Continued)**

Basic financial assets

Basic financial assets, which include investments, 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the assets expire or are settled or when the Charity transfers the financial assets and substantially all the risks and rewards of ownership to another entity.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 payments 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 obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable 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 recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.9 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.10 Pensions

The Charity contributes to the Teachers' Pension Scheme (England and Wales) at rates set by the Scheme Actuary and advised to Council by the Scheme Administrator.

The Charity also contributes to a defined contribution scheme for staff not within the Teachers' Pension Scheme.

1.11 Leases

Rentals payable under operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to income on a straight line basis over the term of the relevant lease.

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the statement of financial activities on a straight line basis.

1 Accounting policies **(Continued)**

1.12 Support costs

Support costs include expenses which enable charitable activities and fund generating to be undertaken. These costs include finance and human resources and are allocated on a basis consistent with the use of the resource.

1.13 Governance costs

Governance costs comprise the costs of running the charity, including strategic planning for its future development, any legal advice for the Trustees, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment or to provide termination benefits.

2 Voluntary income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	11,040	1,505
Donations and gifts		
Elmgrant Trust	-	1,500
Leonard Stocks Trust	11,040	-
Other	-	5
	11,040	1,505

3 Incoming resources from charitable activities

	Net school fees and associated income 2022 £	Net school fees and associated income 2021 £
Net school fees and associated income	813,434	608,830
Analysis by fund		
Unrestricted funds	733,484	557,739
Restricted funds	79,950	51,091
	813,434	608,830

4 Investment income

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	82	145

5 Breakdown of Incoming resources

	2022	2021
	£	£
Fees Receivable	829,843	680,844
Lunches	14,008	7,501
Buses/ Trips/ Camps	18,672	9,944
Bursaries given	(52,470)	(69,135)
Discounts given	(68,002)	(53,440)
Staff discount	(7,567)	(15,767)
COVID discount	-	(2,208)
LEA funding	73,575	51,091
Europaisher grant	5,375	-
Eclect grant	-	-
	813,434	608,830

6 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Coronavirus Job Retention Scheme grant	-	25,449
Sundry income	652	-

7 Charitable activities

	Costs of operation of school 2022 £	Costs of operation of school 2021 £
Staff costs	461,165	393,211
Depreciation and impairment	6,901	6,791
Restricted expenditure	-	6,288
Supply teachers and cooking contractors	22,712	10,878
Counselling costs	3,955	2,211
Books, teaching supplies and exam fees	36,535	22,123
Food and refreshments	11,654	6,340
Camp, trip and educational visit costs	23,366	3,624
(Profit)/Loss on disposal of assets	1	-
Rent and rates	5,422	6,468
Repairs and cleaning	50,156	55,457
Insurances	8,953	9,970
Light and heat	10,167	5,084
	640,987	528,445
Share of support costs (see note 8)	144,523	151,698
Share of governance costs (see note 8)	18,335	19,038
	803,845	699,181
Analysis by fund		
Unrestricted funds	714,449	648,090
Restricted funds	89,396	51,091
	803,845	699,181

8 Support costs

	Support costs	Governance costs	2022	2021	Basis of allocation
	£	£	£	£	
Staff costs	110,358	-	110,358	106,709	Time spent
Motor running and travelling	6,837	-	6,837	6,230	Direct
Bad debts	7,120	-	7,120	17,316	Direct
Advertising and publicity	250	-	250	1,102	Direct
Recruitment, training and workshops	4,068	-	4,068	9,126	Direct
Printing, postage and stationery	7,187	-	7,187	3,901	Direct
Telephone and communication	1,798	-	1,798	1,897	Direct
Equipment rental	3,884	-	3,884	2,843	Direct
Bank charges	1,120	-	1,120	748	Direct
Interest payable	685	-	685	1,742	Direct
Sundries	1,216	-	1,216	84	Direct
Independent examiner's fees - external scrutiny	-	2,280	2,280	2,280	Governance
Independent examiner's fees - other services	-	7,396	7,396	6,526	Governance
Legal, professional and consultancy fees	-	8,659	8,659	10,232	Governance
	144,523	18,335	162,858	170,736	
Analysed between					
Charitable activities	144,523	18,335	162,858	170,736	

Governance costs includes payments to the independent examiner of £2,280 (2021: £2,280) for independent examination fees and £7,396 (2021: £6,526) for other services.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year (2021: £nil) and no Trustees were reimbursed expenses (2021: £nil).

10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Teaching	21	19
Administration	4	4
Maintenance	1	1
Counselling	1	1
Total	27	25

Employment costs	2022 £	2021 £
Wages and salaries	498,010	438,825
Social security costs	33,163	28,290
Other pension costs	40,350	32,805
	571,523	499,920

Redundancy totalling £3,685 was paid to three members of staff in the year (2021: £-).

There were no employees whose annual remuneration was more than £60,000.

11 Other gains or losses

	Unrestricted funds 2021 £
Foreign exchange losses/(gains)	1,238

12 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 August 2021	277,865	47,605	113,728	26,219	465,417
Additions	-	8,341	-	6,695	15,036
Disposals	-	-	-	(12,091)	(12,091)
At 31 July 2022	277,865	55,946	113,728	20,823	468,362
Depreciation and impairment					
At 1 August 2021	-	39,228	112,170	26,216	177,614
Depreciation charged in the year	-	5,438	542	921	6,901
Eliminated in respect of disposals	-	-	-	(12,090)	(12,090)
At 31 July 2022	-	44,666	112,712	15,047	172,425
Carrying amount					
At 31 July 2022	277,865	11,280	1,016	5,776	295,937
At 31 July 2021	277,865	8,377	1,558	3	287,803

Based on an assessment of the value of the property with local estate agents and developers the directors are of the opinion that at 31 July 2022 the market value of land and buildings exceeds the carrying value by at least £750,000.

In the opinion of the directors, the net book value of non-depreciable assets included above is in the region of £400,000.

13 Debtors

Amounts falling due within one year:	2022 £	2021 £
Fee debtors	79,145	57,269
Other debtors	5,375	-
Prepayments and accrued income	11,094	11,052
	95,614	68,321

14 Loans and overdrafts

	2022 £	2021 £
Bank loans	7,011	16,182
Payable within one year	7,011	8,402
Payable after one year	-	7,780

14 Loans and overdrafts (Continued)

The bank loan is secured by a fixed and floating charge over the company's freehold property and is repayable by instalments over a period of 20 years commencing 2 April 2003 at a fixed rate of interest of 7.01493%.

15 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	14	7,011	8,402
Other taxation and social security		2,466	12,243
Trade creditors		21,398	54,684
Other creditors		87	58
Deposits helds		74,251	67,002
Accruals and deferred income		28,186	5,363
		133,399	147,752

16 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	14	-	7,780

17 Provisions for liabilities

	2022 £	2021 £
Repayment of Coronavirus Job Retention Scheme grant		
At 1 August 2020	-	17,682
Reversal of provision	-	(17,682)
Brazel judgment		
Provision for Brazel judgement on holiday pay for support staff	4,250	-
	4,250	17,682

18 Legal status

The Charity is a company limited by guarantee having no share capital. In the event of the winding up, each member agrees to contribute a sum not exceeding £1. The members of the Company are the School governors and include the directors named on page 4. There were four members at 31 July 2022.

19 Retirement benefit schemes

Defined contribution schemes

The School's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the NEST pension scheme for it's non teaching staff.

Contributions of £2,466 were payable at 31 July 2022 (2021: £5,183).

(a) Teachers' Pension Scheme

Introduction

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

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

The 31 March 2016 valuation report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/ Sergeant 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 courts decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they became payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

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

The employers pension costs paid to the TPS in the period amounted to £34,282 (2021: £28,298).

(b) NEST pension scheme

The School also runs a defined contribution scheme for its non teaching staff. The employer's contribution was £6,068 (2021: £4,507) for the year.

20 Restricted funds

The income funds of the charity for the year included the following restricted funds:

	Balance at 1 August 2021	Movement in funds: Incoming resources	Movement in funds: Resources expended	Balance at 31 July 2022
	£	£	£	£
Learning support	-	73,575	(73,575)	-
Meadowbrook	13,000	-	-	13,000
Europaisher Radiopodcast	9,446	6,375	(15,821)	-
	22,446	79,950	(89,396)	13,000

The restricted funds arise as follows:

Learning support - funds received solely to assist specific pupils.

Meadowbrook - funding received from the Meadowbrook Trust to be used to improve the sports court.

Europaisher Radiopodcast - funding received for students to participate in an European exchange programme.

21 Analysis of net assets between funds

	Unrestricted funds 2022	Restricted funds 2022	Total 2022	Unrestricted funds 2021	Restricted funds 2021	Total 2021
	£	£	£	£	£	£
Fund balances at 31 July 2022 are represented by:						
Tangible assets	295,937	-	295,937	287,803	-	287,803
Current assets/(liabilities)	374,363	13,000	387,363	355,218	22,446	377,664
Long term liabilities	-	-	-	(7,780)	-	(7,780)
Provisions	(4,250)	-	(4,250)	-	-	-
	666,050	13,000	679,050	635,241	22,446	657,687

22 Related party transactions

Transactions with related parties

During the year the charity entered into no transactions with related parties (2021: none).

23 Cash generated from operations

	2022	2021
	£	£
Surplus/(deficit) for the year	21,363	(63,252)
Adjustments for:		
Investment income recognised in statement of financial activities	(82)	(145)
Foreign exchange differences	-	(1,238)
Depreciation and impairment of tangible fixed assets	6,901	6,791
Movements in working capital:		
(Increase)/decrease in debtors	(27,293)	148,079
(Decrease)/increase in creditors	(12,962)	52,611
(Decrease)/increase in provisions	4,250	(17,682)
Cash (absorbed by)/generated from operations	(7,823)	125,164

24 Analysis of changes in net funds

	At 1 August 2021	Cash flows	At 31 July 2022
	£	£	£
Cash at bank and in hand	457,095	(31,947)	425,148
Loans falling due within one year	(8,402)	1,391	(7,011)
Loans falling due after more than one year	(7,780)	7,780	-
	440,913	(22,776)	418,137

SANDS SCHOOL

England & Wales - Charity number 299714

Accounts

Charity Registration No. 299714

Company Registration No. 02274600 (England and Wales)

SANDS SCHOOL

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

SANDS SCHOOL

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SANDS SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Miss A McCarthy-Sommerville	
	Mr E Cohen	
	S Bolton	(Appointed 14 April 2022)
	E Daniels	(Appointed 14 April 2022)
	Mrs H Bodiley	(Appointed 14 April 2022)
School administrator	Mr S Bellamy	
Charity number	299714	
Company number	02274600	
Principal address	Greylands 48 East Street Ashburton Devon TQ13 7AX	
Registered office	30 Fore Street Totnes Devon TQ9 5RP	
Independent examiner	Darnells Chartered Accountants Quay House Quay Road Newton Abbot Devon TQ12 2BU	
Bankers	Lloyds Bank 31 Fore Street Totnes Devon TQ9 5HH	

SANDS SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2021

The Trustees present their report and financial statements for the year ended 31 July 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice for charities applying FRS102.

Objectives and activities

The overall objectives and principal activities of the Charity are to promote and provide for the advancement of education of children through the governance of Sands School in the County of Devon.

Sands School is a day school which principally provides education in Ashburton to children from the ages of 11 to 17. Sands is a Democratic School by which we mean a place in which children and staff have the opportunity to be active, voting members, deciding and/or ratifying decisions made by the School meeting and/or other delegated sub-groups. Our intention is thus to help them become contributing members of the wider society, comfortable with their rights and responsibilities.

Our aims for the children's academic development within the School are based on the individual child. We aim to allow the curriculum to be a tool used by the pupil and teacher to make learning rewarding and a good preparation for life beyond school. We offer students the chance to develop an approach to learning that is personalised and encourages critical thinking and creativity. The teaching offers a medium for the development of open-minded and emotionally intelligent children.

Philosophy:

At the heart of our model is the idea that students should help design their place of learning and remain actively involved in the making of its rules and contributing to its philosophy; that students and teachers should be equal partners in the running of the School and that students should map their own route through their school careers with guidance from the adults. The result is a place where play is still important even to 16 year olds, where talking and recreation are valued and students tend to be relaxed, happy and involved in class because they have made a conscious decision to attend.

The average number of pupils in the school for the year was 63 (2020: 77).

Objectives and Strategies for the Year:

We do not have specific objectives in particular years other than to maintain pupil numbers at a level which secures the School's continued viability. Within this objective we endeavour to keep the School as affordable as possible through keeping the fees low, offering means-tested bursaries and securing charitable funding for eligible students.

Every year we promote the advancement of learning through principles of democratic education as the opportunities arise. This includes attending educational events and hosting visitors interested in finding out about democratic education.

Public Benefit:
Trustees and management are aware of the on-going development regarding public benefit and charitable status of Charities and Independent Schools and the Trustees have had due regard to guidance published by the Charity Commission on public benefit.

The School's principle public benefit is in its function of developing the incorporation of democratic principles in education. The School hosts visits from teachers and school groups from across the world to learn about how students can be actively engaged in all aspects of the provision of their education and see the positive impact that this engagement has across school life.

It is one of the principles of the School that as far as possible access to an education at Sands should not be restricted by the ability to pay. This is achieved through a redistributive bursary system, support in accessing funding from other charitable sources and through the very generous willingness of the staff to offer their services for remuneration well below the normal market rates. As a result the school fees are kept relatively low at £11,040 per year compared with the average day school rate of £15,192 (calculated by the Independent Schools Council).

During this year one third of the students received bursaries, mostly equivalent to either one quarter or one third of full fees. Although this is the norm, the School can and does offer assistance above this level. Bursaries given by the School totalled £69,135, a figure equivalent to 11.0 per cent of the total fees due.

The School is very keen and open to being a part of our local community. Thanks to some very generous help our newly renovated sports court is now available for use by the neighbouring state primary school and as a public tennis court.

Achievements and performance
Operational performance
The objectives of the charity are to provide a democratic education to the pupils at Sands School and to promote the benefits of democratic education.

The School does not believe that aggregate exam results or other outcome statistics are a meaningful measure of its performance. Being a small and genuinely inclusive School, pupils outcomes can only be understood at an individual level.

The School normally hosts a large number of visitors interested in democratic education but this was curtailed by the COVID 19 pandemic.

Financial review
Results for the Year:

Total unrestricted net school fees and associated income for the year amounted to £557,739 (2020: £678,779). There was a deficit on ordinary continuing activities for the year of £64,490 (2020 surplus of £88,901).

The results reflect an unusually large finishing group in 2019/20 with recruitment for new starters being severely curtailed by the lockdowns meaning a substantial drop in roll for the start of 2020-21.

As a consequence of the pandemic, some staff were furloughed through the Job Retention Scheme and principally this was office and technical support staff. At 31 July 2020 a provision was made to possibly return the £17,682 received to date but in view of financial impact of the pandemic, it has been decided to retain these funds and they are disclosed within other income.

The principal funding sources of the charity are the parents who send their children to the School.

At 31 July 2021 total funds, which includes buildings and other tangible assets, amounted to £657,687 (2020: £722,177) with restricted funds of £22,446 (2020: 22,446).

Property

The Directors consider that the market value of the land and buildings exceeds the carrying value included in the financial statements by at least £200,000.

Reserves Policy:

The Charities SORP defines reserves as that part of a charity's funds that is freely available to spend. The Charities SORP also specifically allows funds held as tangible fixed assets for charity use to be excluded from reserves. This recognises that certain assets, like our buildings and equipment and mini-buses are used operationally and their disposal would adversely impact on the School's ability to deliver its aims.

For the purposes of this policy reserves are defined as net financial assets, that is, cash deposits less restricted funds, loans and creditors (net of debtors). At the end of this financial year the balance was £347,438 down from £410,223 in the previous year.

The Trustees have agreed that in future the level of reserves held shall be limited to the amount required to meet all of the conditions set out below with any reserves in excess of this being applied for the charitable purposes of the School:

1. Cash flow requirement: after allowing for creditors falling due within one year the School should aim to maintain free cash reserves of between £30,000 and £40,000. Of this up to £10,000 should be held for day- to-day operational needs with the remainder being held on short term deposit. Free cash reserves in excess of this should be used to reduce long term borrowings.
2. Uncertainties: based on past experience the School roll can fall significantly as a result of poor economic conditions and the School needs to be able to survive on a reduced roll for a period of three years without needing to borrow money or cutting costs to a point where the quality of education offered would be significantly diminished. Based on the current operational budget, a fall in roll down to 50 would result in a £90,000 annual loss. However, it is expected that some additional cost reduction would be put in place so a total of £225,000 would be sufficient to cover losses for three years.
3. Strategic requirement: the School may decide in future to undertake developments which would require significant investment. In this case the Trustees would aim to accumulate additional reserves set aside for these developments.

Review of the School's reserves position at 31 July 2021:

Cash flow:

The School has sufficient funds to meet its cash flow requirements for the coming year. Free cash and bank funds stood at £457,095 with creditors falling due within one year of £147,752.

Uncertainties:

Although the COVID pandemic has continued to affect the School in other ways there was a significant recovery in recruitment for the start of 2021-22 with a full intake year and many other year groups full. There are expected to be continuing costs directly associated with the pandemic, principally maintaining a higher than normal level staffing to cover staff absence due to illness and to support students having to learn remotely.

Strategic requirements:

Ideally the School will need to find significant funds for capital investment over the coming years, in particular the replacement of the slate roof on the main building.

Policy for 2021-22:

The Governors expect to be closer to breakeven with additional temporary staffing being largely offset by the the recovery in roll.

Investment policy:

The Trustees' policy is to invest surplus cash whenever possible on short term deposit. The Trustees are satisfied that the return is commensurate with the objective of minimising risk.

Risk Management:

The School has considered the principal risks to which it is subject and has taken adequate steps to mitigate those risks. These include an annual review of the financial risks the School may face and the implementation of satisfactory procedures to ensure that the School offers a safe and constructive environment for children.

Key controls include regular risk assessment checks of all areas and regularly reviewed policies, which are available to parents, the Independent Schools Inspectorate and other interested parties.

The Governors are always conscious of the need for the School to operate within its available financial resources and to have adequate working capital.

Plans for future periods

We do not have specific objectives in particular years other than to maintain pupil numbers at a level which secures the School's continued viability. Within this objective we endeavour to keep the School as affordable as possible through keeping the fees low, offering means-tested bursaries and securing charitable funding for eligible students.

Every year we promote the advancement of learning through principles of democratic education as the opportunities arise. This includes attending educational events and hosting visitors interested in finding out about democratic education.

There are currently no plans for significant changes or investments.

Structure, governance and management

Sands School is a company limited by guarantee governed by its Memorandum and Articles of Association, and was incorporated on 6 July 1988. It is registered as a charity with the Charity Commission. The liability of the Members is limited. In the event of the Company being wound up every Member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets.

The Trustees, who are also the directors for the purpose of company law, and those who served during the year and up to the date of signature of the financial statements were:

Miss A McCarthy-Sommerville	
Mr E Cohen	
Mrs F Daly	(Resigned 10 August 2020)
Mr F A Parffrey	(Resigned 1 June 2021)
S Bolton	(Appointed 14 April 2022)
E Daniels	(Appointed 14 April 2022)
Mrs H Bodiley	(Appointed 14 April 2022)

Appointment of Trustees:
Under the Articles of Association subscribers to the Memorandum of Association and such other persons as the Board of Directors shall admit to membership shall be the Members of the Company. The number of Members shall not exceed 50. In the event of the retirement of a Trustee all Members are invited to nominate candidates.

The members of the Board of Trustees should be appointed by the Company in general meeting. The Board has the power to fill a casual vacancy at any time.

Organisation:
The Board of Trustees (who are also the directors) delegate the management of the affairs of the School to a Board of Governors. The Board of Governors are accountable to the Trustees and are required to operate within the budget and conditions agreed by the Trustees. The power of appointing Governors remains with the Trustees.

In accordance with the Conduct of the School as laid out in its Instrument of Government, School management is effected by discussion and consensus and due regard is taken by the Governors of the views and wishes of the staff and pupils on all matters relating to the management, conduct and underlying philosophy of the School and behaviour in the School. Financial matters and decision making is dealt with separately from the students.

The Governors meet once a term (or more often if necessary) and receive reports from the Administrator, the Bursar and the Student Governors. At these meetings Governors officially confirm staff appointments and approve bursary policy and term budgets, but most of the time is usually taken up with comment and advice. The Governors generally support and advise the Administrator and the School Meeting. The day to day management of the School is the responsibility of the Administrator, Sean Bellamy and the Bursar, Peta Cox.

Trustee Induction and Training:
New Trustees are already familiar with the practical work of the Charity as they are normally recruited from the governing body of Sands School. They are inducted during the course of a normal business meeting by democratic vote. New Trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision making processes, the recent financial performance of the Company and current practice in pursuance of the objects of the Company. Documents made available to them are the Sands School Memorandum and Articles of Association, the Charity Commission's "Welcome" document, the Charity Commission's "CC3 Responsibilities of Charity Trustees" and a Companies House booklet concerned with directors' responsibilities as they relate to Companies House.

The Board remain conscious of the on-going need to make available training (formal or informal) as and when required.

Related Parties:
Sands School is a member of the International Democratic Education Network and co-founder of the European Democratic Education Network.

The Trustees' report was approved by the Board of Trustees.

E Daniels esther.
Trustee
Dated: 22 April 2022

SANDS SCHOOL

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF SANDS SCHOOL

I report to the Trustees on my examination of the financial statements of Sands School (the charity) for the year ended 31 July 2021.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2 the financial statements do not accord with those records; or
3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Lisa Dickinson ACA FCCA
Darnells Chartered Accountants
Quay House
Quay Road
Newton Abbot
Devon
TQ12 2BU

Dated: 25 April 2022

SANDS SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Voluntary income	2	1,505	-	1,505	-	-	-
Incoming resources from charitable activities	3	557,739	51,091	608,830	678,779	71,000	749,779
Investment income	4	145	-	145	395	-	395
Other income	6	25,449	-	25,449	-	-	-
Total income		584,838	51,091	635,929	679,174	71,000	750,174
Expenditure on:							
Charitable activities	7	648,090	51,091	699,181	595,419	66,662	662,081
Net (expenditure)/income for the year/ Net (outgoing)/incoming resources		(63,252)	-	(63,252)	83,755	4,338	88,093
Other recognised gains and losses							
Other gains or losses	11	(1,238)	-	(1,238)	-	808	808
Net movement in funds		(64,490)	-	(64,490)	83,755	5,146	88,901
Fund balances at 1 August 2020		699,731	22,446	722,177	615,976	17,300	633,276
Fund balances at 31 July 2021		635,241	22,446	657,687	699,731	22,446	722,177

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SANDS SCHOOL

BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		287,803		289,508
Current assets					
Debtors	13	68,321		216,400	
Cash at bank and in hand		457,095		345,266	
		525,416		561,666	
Creditors: amounts falling due within one year	15	(147,752)		(94,570)	
Net current assets			377,664		467,096
Total assets less current liabilities			665,467		756,604
Creditors: amounts falling due after more than one year	16		(7,780)		(16,745)
Provisions for liabilities			-		(17,682)
Net assets			657,687		722,177
Income funds					
Restricted funds	20		22,446		22,446
Unrestricted funds			635,241		699,731
			657,687		722,177

SANDS SCHOOL

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2021.

The Trustees' acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 22 April 2022

E Daniels
Trustee

Company Registration No. 02274600

SANDS SCHOOL

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	23		125,164		(21,938)
Investing activities					
Purchase of tangible fixed assets		(5,086)		(5,895)	
Interest received		145		395	
Net cash used in investing activities			(4,941)		(5,500)
Financing activities					
Repayment of bank loans		(8,394)		(7,832)	
Net cash used in financing activities			(8,394)		(7,832)
Net increase/(decrease) in cash and cash equivalents			111,829		(35,270)
Cash and cash equivalents at beginning of year			345,266		380,536
Cash and cash equivalents at end of year			457,095		345,266

1 Accounting policies

Charity information

Sands School is a private company limited by guarantee incorporated in England and Wales. The registered office is 30 Fore Street, Totnes, Devon, TQ9 5RP . The Charity's place of business is Greylands, 48 East Street, Ashburton, Devon, TQ13 7AX.

1.1 Accounting convention

These accounts have been prepared in accordance with the Charity's Memorandum and Articles of Association, "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 Companies Act 2006 and UK Generally Accepted Accounting Practice. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by funders as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.3 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income from school fees is included in incoming resources in the period that the student has received tuition from the school.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies **(Continued)**

1.4 Resources expended

Resources expended are included in the statement of financial activities on an accruals basis, and are recognised when there is a legal or constructive obligation to pay for expenditure.

Certain expenditure is directly attributable to specific functional activities and has been included in those cost categories. Certain other costs, which are attributable to more than one functional activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities or based on the estimated use of the resource concerned or space occupied.

The charity is not registered for VAT. All expenditure is therefore stated inclusive of VAT where applicable.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is provided to write off the cost or valuation, less any residual value of all fixed assets except freehold land and buildings over their estimated useful lives. It is calculated at the following rates:-

Plant and machinery	over 4 years on a straight line basis
Fixtures, fittings & equipment	over 5 years on a straight line basis
Motor vehicles	over 5 years on a straight line basis

Freehold land and buildings are not depreciated as in the opinion of the Trustees the useful economic life and residual value are such that any depreciation would be insignificant. Impairment reviews are carried out periodically, and whenever there is evidence that the value of a tangible asset, or class of asset, may be impaired.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.6 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.7 Cash and cash equivalents

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

1 Accounting policies (Continued)

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include investments, 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the assets expire or are settled or when the Charity transfers the financial assets and substantially all the risks and rewards of ownership to another entity.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 payments 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 obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable 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 recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.9 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1 Accounting policies (Continued)

1.10 Pensions

The Charity contributes to the Teachers' Pension Scheme (England and Wales) at rates set by the Scheme Actuary and advised to Council by the Scheme Administrator.

The Charity also contributes to a defined contribution scheme for staff not within the Teachers' Pension Scheme.

1.11 Leases

Rentals payable under operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to income on a straight line basis over the term of the relevant lease.

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the statement of financial activities on a straight line basis.

1.12 Support costs

Support costs include expenses which enable charitable activities and fund generating to be undertaken. These costs include finance and human resources and are allocated on a basis consistent with the use of the resource.

1.13 Governance costs

Governance costs comprise the costs of running the charity, including strategic planning for its future development, any legal advice for the Trustees, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment or to provide termination benefits.

2 Voluntary income

	Unrestricted funds	Total
	2021	2020
	£	£
Donations and gifts	1,505	-
Donations and gifts		
Elmgrant Trust	1,500	-
Other	5	-
	1,505	-

3 Incoming resources from charitable activities

	Net school fees and associated income 2021 £	Net school fees and associated income 2020 £
Net school fees and associated income	608,830	725,056
Restricted Grants	-	24,723
	608,830	749,779
Analysis by fund		
Unrestricted funds	557,739	678,779
Restricted funds	51,091	71,000
	608,830	749,779

4 Investment income

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	145	395

5 Breakdown of Incoming resources

	2021	2020
	£	£
Fees Receivable	680,844	846,667
Lunches	7,501	13,660
Buses/ Trips/ Camps	9,944	6,575
Bursaries given	(69,135)	(78,873)
Discounts given	(53,440)	(62,566)
Staff discount	(15,767)	(21,853)
COVID discount	(2,208)	(24,831)
LEA funding	51,091	46,277
Klax grant	-	13,120
Eclect grant	-	11,603
	608,830	749,779

6 Other income

	Unrestricted funds	Total
	2021	2020
	£	£
Coronavirus Job Retention Scheme grant	25,449	-

7 Charitable activities

	Costs of operation of school 2021 £	Costs of operation of school 2020 £
Staff costs	393,211	372,537
Depreciation and impairment	6,791	7,292
Restricted expenditure	6,288	20,879
Supply teachers and cooking contractors	10,878	2,635
Counselling costs	2,211	840
Books, teaching supplies and exam fees	22,123	15,061
Food and refreshments	6,340	5,878
Camp, trip and educational visit costs	3,624	788
Rent and rates	6,468	4,828
Repairs and cleaning	55,457	54,023
Insurances	9,970	8,094
Light and heat	5,084	7,125
	528,445	499,980
Share of support costs (see note 8)	151,698	150,104
Share of governance costs (see note 8)	19,038	11,997
	699,181	662,081
Analysis by fund		
Unrestricted funds	648,090	595,419
Restricted funds	51,091	66,662
	699,181	662,081

8 Support costs

	Support costs	Governance costs	2021	2020	Basis of allocation
	£	£	£	£	
Staff costs	106,709	-	106,709	100,165	Time spent
Motor running and travelling	6,230	-	6,230	5,880	Direct
Bad debts	17,316	-	17,316	24,180	Direct
Advertising and publicity	1,102	-	1,102	1,197	Direct
Recruitment, training and workshops	9,126	-	9,126	6,406	Direct
Printing, postage and stationery	3,901	-	3,901	3,756	Direct
Telephone and communication	1,897	-	1,897	1,163	Direct
Copier hire	2,843	-	2,843	3,352	Direct
Bank charges	748	-	748	856	Direct
Interest payable	1,742	-	1,742	2,025	Direct
Sundries	84	-	84	1,124	Direct
Independent examiner's fees - external scrutiny	-	2,280	2,280	2,280	Governance
Independent examiner's fees - other services	-	6,526	6,526	4,253	Governance
Legal, professional and consultancy fees	-	10,232	10,232	5,464	Governance
	151,698	19,038	170,736	162,101	
Analysed between					
Charitable activities	151,698	19,038	170,736	162,101	

Governance costs includes payments to the independent examiner of £2,280 (2020: £2,280) for independent examination fees and £6,526 (2020: £4,253) for other services.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year (2020: £nil) and no Trustees were reimbursed expenses (2020: £nil).

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Teaching	19	20
Administration	4	4
Maintenance	1	1
Counselling	1	1
Total	25	26

Employment costs	2021 £	2020 £
Wages and salaries	438,825	407,755
Social security costs	28,290	27,423
Other pension costs	32,805	37,524
	499,920	472,702

These equate to full time equivalents of 12.6 (2020: 11.6) for teaching, 2 (229: 2) for administrative, 0.4 for maintenance (2020: 0.4) and 0.4 for counselling (2020: 0.4).

There were no employees whose annual remuneration was £60,000 or more.

11 Other gains or losses

	Unrestricted funds 2021 £	Restricted funds 2020 £
Foreign exchange losses/(gains)	1,238	(808)

12 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 August 2020	277,865	44,151	112,096	26,219	460,331
Additions	-	3,454	1,632	-	5,086
At 31 July 2021	277,865	47,605	113,728	26,219	465,417
Depreciation and impairment					
At 1 August 2020	-	33,506	111,101	26,216	170,823
Depreciation charged in the year	-	5,722	1,069	-	6,791
At 31 July 2021	-	39,228	112,170	26,216	177,614
Carrying amount					
At 31 July 2021	277,865	8,377	1,558	3	287,803
At 31 July 2020	277,865	10,645	995	3	289,508

Based on an assessment of the value of the property with local estate agents and developers the directors are of the opinion that at 31 July 2021 the market value of land and buildings exceeds the carrying value by at least £200,000.

In the opinion of the directors, the net book value of non-depreciable assets included above is in the region of £110,000.

13 Debtors

Amounts falling due within one year:	2021 £	2020 £
Fee debtors	57,269	74,715
Other debtors	-	132,936
Prepayments and accrued income	11,052	8,749
	68,321	216,400

14 Loans and overdrafts

	2021 £	2020 £
Bank loans	16,182	24,576
Payable within one year	8,402	7,831
Payable after one year	7,780	16,745

14 Loans and overdrafts (Continued)

The bank loan is secured by a fixed and floating charge over the company's freehold property and is repayable by instalments over a period of 20 years commencing 2 April 2003 at a fixed rate of interest of 7.01493%.

15 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	14	8,402	7,831
Other taxation and social security		12,243	675
Trade creditors		54,684	17,565
Other creditors		58	1,080
Deposits helds		67,002	57,001
Accruals and deferred income		5,363	10,418
		147,752	94,570

16 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	14	7,780	16,745

17 Provisions for liabilities

	2021 £	2020 £
Repayment of Coronavirus Job Retention Scheme grant		
At 1 August 2020	17,682	-
Receipt	-	17,682
Reversal of provision	(17,682)	-
	-	17,682

18 Legal status

The Charity is a company limited by guarantee having no share capital. In the event of the winding up, each member agrees to contribute a sum not exceeding £1. The members of the Company are the School governors and include the directors named on page 2. There were five members at 31 July 2021.

19 Retirement benefit schemes

Defined contribution schemes
The School's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the NEST pension scheme for it's non teaching staff.

Contributions of £5,183 were payable at 31 July 2021 (2020: £675).

(a) Teachers' Pension Scheme

Introduction
The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in schools. All teachers have the option to opt out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary. These contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The pension costs are assessed in accordance with the advice of independent qualified actuaries.

Valuation of the Teachers' Pension Scheme
The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge).
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million.
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £28,298 (2020: £31,416).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme.

(b) NEST pension scheme
The School also runs a defined contribution scheme for its non teaching staff. The employer's contribution was £4,507 (2020: £6,108) for the year.

20 Restricted funds

The income funds of the charity for the year included the following restricted funds:

	Balance at 1 August 2020	Movement in funds: Incoming resources	Resources expended	Balance at 31 July 2021
	£	£	£	£
Learning support	-	51,091	(51,091)	-
Meadowbrook	13,000	-	-	13,000
Europaisher Radiopodcast	9,446	-	-	9,446
	22,446	51,091	(51,091)	22,446

The restricted funds arise as follows:

Learning support - funds received solely to assist specific pupils.

Meadowbrook - funding received from the Meadowbrook Trust to be used to improve the sports court.

Europaisher Radiopodcast - funding received for students to participate in an European exchange programme.

21 Analysis of net assets between funds

	Unrestricted funds 2021	Restricted funds 2021	Total 2021	Unrestricted funds 2020	Restricted funds 2020	Total 2020
	£	£	£	£	£	£
Fund balances at 31 July 2021 are represented by:						
Tangible assets	287,803	-	287,803	289,508	-	289,508
Current assets/ (liabilities)	355,218	22,446	377,664	444,650	22,446	467,096
Long term liabilities	(7,780)	-	(7,780)	(16,745)	-	(16,745)
Provisions	-	-	-	(17,682)	-	(17,682)
	635,241	22,446	657,687	699,731	22,446	722,177

22 Related party transactions

Transactions with related parties

During the year the charity entered into no transactions with related parties (2020: none).

23 Cash generated from operations

	2021	2020
	£	£
(Deficit)/surplus for the year	(63,252)	88,093
Adjustments for:		
Investment income recognised in statement of financial activities	(145)	(395)
Foreign exchange differences	(1,238)	808
Depreciation and impairment of tangible fixed assets	6,791	7,292
Movements in working capital:		
Decrease/(increase) in debtors	148,079	(143,872)
Increase in creditors	52,611	8,454
Increase/(decrease) in provisions	(17,682)	17,682
Cash generated from/(absorbed by) operations	125,164	(21,938)

24 Analysis of changes in net funds

	At 1 August 2020	Cash flows	At 31 July 2021
	£	£	£
Cash at bank and in hand	345,266	111,829	457,095
Loans falling due within one year	(7,831)	(571)	(8,402)
Loans falling due after more than one year	(16,745)	8,965	(7,780)
	320,690	120,223	440,913

SANDS SCHOOL

England & Wales - Charity number 299714

Accounts

Charity Registration No. 299714

Company Registration No. 02274600 (England and Wales)

SANDS SCHOOL

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

SANDS SCHOOL

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SANDS SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Miss A McCarthy-Sommerville Mr E Cohen Mr F A Parffrey
School administrator	Mr S Bellamy
Charity number	299714
Company number	02274600
Principal address	Greylands 48 East Street Ashburton Devon TQ13 7AX
Registered office	30 Fore Street Totnes Devon TQ9 5RP
Independent examiner	Darnells Chartered Accountants Quay House Quay Road Newton Abbot Devon TQ12 2BU
Bankers	Lloyds Bank 31 Fore Street Totnes Devon TQ9 5HH

SANDS SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2020

The Trustees present their report and financial statements for the year ended 31 July 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice for charities applying FRS102.

Objectives and activities

The overall objectives and principal activities of the Charity are to promote and provide for the advancement of education of children through the governance of Sands School in the County of Devon.

Sands School is a day school which principally provides education in Ashburton to children from the ages of 11 to 17. Sands is a Democratic School by which we mean a place in which children and staff have the opportunity to be active, voting members, deciding and/or ratifying decisions made by the School meeting and/or other delegated sub-groups. Our intention is thus to help them become contributing members of the wider society, comfortable with their rights and responsibilities.

Our aims for the children's academic development within the School are based on the individual child. We aim to allow the curriculum to be a tool used by the pupil and teacher to make learning rewarding and a good preparation for life beyond school. We offer students the chance to develop an approach to learning that is personalised and encourages critical thinking and creativity. The teaching offers a medium for the development of open-minded and emotionally intelligent children.

Philosophy:

At the heart of our model is the idea that students should help design their place of learning and remain actively involved in the making of its rules and contributing to its philosophy; that students and teachers should be equal partners in the running of the School and that students should map their own route through their school careers with guidance from the adults. The result is a place where play is still important even to 16 year olds, where talking and recreation are valued and students tend to be relaxed, happy and involved in class because they have made a conscious decision to attend.

The average number of pupils in the school for the year was 77 (2019: 68).

Objectives and Strategies for the Year:

We do not have specific objectives in particular years other than to maintain pupil numbers at a level which secures the School's continued viability. Within this objective we endeavour to keep the School as affordable as possible through keeping the fees low, offering means-tested bursaries and securing charitable funding for eligible students.

Every year we promote the advancement of learning through principles of democratic education as the opportunities arise. This includes attending educational events and hosting visitors interested in finding out about democratic education.

Public Benefit:
Trustees and management are aware of the on-going development regarding public benefit and charitable status of Charities and Independent Schools and the Trustees have had due regard to guidance published by the Charity Commission on public benefit.

The School's principle public benefit is in its function of developing the incorporation of democratic principles in education. The School hosts visits from teachers and school groups from across the world to learn about how students can be actively engaged in all aspects of the provision of their education and see the positive impact that this engagement has across school life.

It is one of the principles of the School that as far as possible access to an education at Sands should not be restricted by the ability to pay. This is achieved through a redistributive bursary system, support in accessing funding from other charitable sources and through the very generous willingness of the staff to offer their services for remuneration well below the normal market rates. As a result the school fees are kept relatively low at £11,040 per year compared with the average day school rate of £15,744 (calculated by the Independent Schools Council).

During this year one third of the students received bursaries, mostly equivalent to either one quarter or one third of full fees. Although this is the norm, the School can and does offer assistance above this level. Altogether about thirteen per cent of students have their fees met in full by the School, other charitable trusts funding organised by the School or by funding from the Local Educational Authority. Bursaries given by the School totalled £78,873, a figure equivalent to 9.3 per cent of the total fees due.

The School is very keen and open to being a part of our local community. As a very small and modestly resourced school we have little by way of facilities that are not available at our neighbouring state schools. Our sports court refurbishment has been completed with the very generous support of Glendinning Ltd and the plan is for this to be made available for use by Ashburton Primary School and by community groups.

Achievements and performance
Operational performance
The objectives of the charity are to provide a democratic education to the pupils at Sands School and to promote the benefits of democratic education.

The School does not believe that aggregate exam results or other outcome statistics are a meaningful measure of its performance. Being a small and genuinely inclusive School, pupils outcomes can only be understood at an individual level.

The School normally hosts a large number of visitors interested in democratic education but this was curtailed by the COVID 19 pandemic.

Financial review

Results for the Year:

Total unrestricted net school fees and associated income for the year amounted to £678,779 (2019: £618,579). There was a surplus on ordinary continuing activities for the year of £83,755 (2019: £111,160).

Pupil recruitment in the year was largely unaffected by the COVID 19 pandemic because the majority of new student join earlier in the year. No students had to leave during the year as a direct consequence of the pandemic. As a result the school was in an unusually strong financial position and able to generate a significant surplus.

However there was an unusually large finishing group and recruitment for new starters was severely curtailed by the lockdowns meaning that a substantial drop in roll was inevitable for the start of 2020-21.

When schools went into lockdown in March 2020 governors agree that an immediate fee reduction of 15% (£500 per child paying full fees) should be offered to parents. The great majority of parents did take this up at a total cost of £24,831.

With the school operating remotely we were able to furlough some staff through the Job Retention Scheme, principally the office and technical support staff. The financial impact of the pandemic will not be known until the end of the current year so although the school still had a surplus in 2019-20 a provision has been made in the accounts to return £17,682 and potentially any further funds received under the scheme.

The principal funding sources of the charity are the parents who send their children to the School.

At 31 July 2020 total funds, which includes buildings and other tangible assets, amounted to £722,177 (2019: £633,277) with restricted funds of £22,446 (2019: 17,300)

Property

The Directors consider that the market value of the land and buildings exceeds the carrying value included in the financial statements by at least £200,000.

Reserves Policy:

The Charities SORP defines reserves as that part of a charity's funds that is freely available to spend. The Charities SORP also specifically allows funds held as tangible fixed assets for charity use to be excluded from reserves. This recognises that certain assets, like our buildings and equipment and mini-buses are used operationally and their disposal would adversely impact on the School's ability to deliver its aims.

For the purposes of this policy reserves are defined as net financial assets, that is, cash deposits less restricted funds, loans and creditors (net of debtors). At the end of this financial year the balance was £450,351 up from £342,372 in the previous year.

The Trustees have agreed that in future the level of reserves held shall be limited to the amount required to meet all of the conditions set out below with any reserves in excess of this being applied for the charitable purposes of the School:

1. Cash flow requirement: after allowing for creditors falling due within one year the School should aim to maintain free cash reserves of between £30,000 and £40,000. Of this up to £10,000 should be held for day- to-day operational needs with the remainder being held on short term deposit. Free cash reserves in excess of this should be used to reduce long term borrowings.
2. Uncertainties: based on past experience the School roll can fall significantly as a result of poor economic conditions and the School needs to be able to survive on a reduced roll for a period of three years without needing to borrow money or cutting costs to a point where the quality of education offered would be significantly diminished. Based on the current operational budget, a fall in roll down to 50 would result in a £90,000 annual loss. However, it is expected that some additional cost reduction would be put in place so a total of £225,000 would be sufficient to cover losses for three years.
3. Strategic requirement: the School may decide in future to undertake developments which would require significant investment. In this case the Trustees would aim to accumulate additional reserves set aside for these developments.

Review of the School's reserves position at 31 July 2020:

Cash flow:

The School has sufficient funds to meet its cash flow requirements for the coming year. Free cash and bank funds stood at £345,266 with creditors falling due within one year of £89,570.

Uncertainties:

The new year, 2020/21, started with only 60 students on roll and recruitment has been severely affected by the COVID 19 pandemic. Lockdown travel restrictions and COVID precautions in schools have made it difficult for prospective students and parents to visit and, of course, the economic impact has created a great deal of financial uncertainty for households. The average roll for the year is likely to be below 65 and there have been significant additional costs relating to the pandemic.

However, enquiries for new starters in September 2021 are stronger than they have ever been in the past, possibly with parents' thinking about education having been changed by the pandemic and also with many enquiries coming from families wanting to relocate out of London and the South East.

So we do not expect to breakeven in 2020/21 but there are indicators that this will be a temporary setback and our roll will recover.

Strategic requirements:

Ideally the School will need to find significant funds for capital investment over the coming years, in particular the replacement of the Science classrooms and the slate roof on the main building. Once the impact of any 2020/21 losses on reserves can be estimated the school will agree a plan to address the long term capital investment priorities.

Policy for 2020-21:

The Governors expect the school to make a manageable loss but this is not possible to meaningfully quantify because of the high level of uncertainty around pupil recruitment and retention as well as costs.

Investment policy:

The Trustees' policy is to invest surplus cash whenever possible on short term deposit. The Trustees are satisfied that the return is commensurate with the objective of minimising risk.

Risk Management:

The School has considered the principal risks to which it is subject and has taken adequate steps to mitigate those risks. These include an annual review of the financial risks the School may face and the implementation of satisfactory procedures to ensure that the School offers a safe and constructive environment for children.

Key controls include regular risk assessment checks of all areas and regularly reviewed policies, which are available to parents, Ofsted and other interested parties.

The Governors are always conscious of the need for the School to operate within its available financial resources and to have adequate working capital.

Plans for future periods

We do not have specific objectives in particular years other than to maintain pupil numbers at a level which secures the School's continued viability. Within this objective we endeavour to keep the School as affordable as possible through keeping the fees low, offering means-tested bursaries and securing charitable funding for eligible students.

Every year we promote the advancement of learning through principles of democratic education as the opportunities arise. This includes attending educational events and hosting visitors interested in finding out about democratic education.

There are currently no plans for significant changes or investments.

Structure, governance and management

Sands School is a company limited by guarantee governed by its Memorandum and Articles of Association, and was incorporated on 6 July 1988. It is registered as a charity with the Charity Commission. The liability of the Members is limited. In the event of the Company being wound up every Member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Miss A McCarthy-Sommerville
Mr E Cohen
Mrs F Daly (Resigned 10 August 2020)
Mr F A Parffrey

Appointment of Trustees:
Under the Articles of Association subscribers to the Memorandum of Association and such other persons as the Board of Directors shall admit to membership shall be the Members of the Company. The number of Members shall not exceed 50. In the event of the retirement of a Trustee all Members are invited to nominate candidates.

The members of the Board of Trustees should be appointed by the Company in general meeting. The Board has the power to fill a casual vacancy at any time.

Organisation:
The Board of Trustees (who are also the directors) delegate the management of the affairs of the School to a Board of Governors. The Board of Governors are accountable to the Trustees and are required to operate within the budget and conditions agreed by the Trustees. The power of appointing Governors remains with the Trustees.

In accordance with the Conduct of the School as laid out in its Instrument of Government, School management is effected by discussion and consensus and due regard is taken by the Governors of the views and wishes of the staff and pupils on all matters relating to the management, conduct and underlying philosophy of the School and behaviour in the School. Financial matters and decision making is dealt with separately from the students.

The Governors meet once a term (or more often if necessary) and receive reports from the Administrator, the Bursar and the Student Governors. At these meetings Governors officially confirm staff appointments and approve bursary policy and term budgets, but most of the time is usually taken up with comment and advice. The Governors generally support and advise the Administrator and the School Meeting. The day to day management of the School is the responsibility of the Administrator, Sean Bellamy and the Bursar, Peta Cox.

Trustee Induction and Training:
New Trustees are already familiar with the practical work of the Charity as they are normally recruited from the governing body of Sands School. They are inducted during the course of a normal business meeting by democratic vote. New Trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision making processes, the recent financial performance of the Company and current practice in pursuance of the objects of the Company. Documents made available to them are the Sands School Memorandum and Articles of Association, the Charity Commission's "Welcome" document, the Charity Commission's "CC3 Responsibilities of Charity Trustees" and a Companies House booklet concerned with directors' responsibilities as they relate to Companies House.

The Board remain conscious of the on-going need to make available training (formal or informal) as and when required.

Related Parties:
Sands School is a member of the International Democratic Education Network and co-founder of the European Democratic Education Network.

The Trustees' report was approved by the Board of Trustees.

.....
Mr P A Parffrey
Trustee
Dated: 29/4/2021

SANDS SCHOOL

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF SANDS SCHOOL

I report on the financial statements of the charity for the year ended 31 July 2020, which are set out on pages 9 to 25.

Respective responsibilities of Trustees and examiner

The Trustees, who are also the directors of Sands School for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

(i) examine the financial statements under section 145 of the 2011 Act;

(ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act as amended; and

(iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

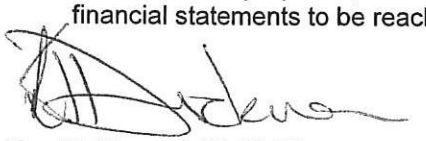
(a) which gives me reasonable cause to believe that in any material respect the requirements:

  (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and

  (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;

  have not been met or

(b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Lisa Dickinson ACA FCCA
Darnells Chartered Accountants
Quay House
Newton Abbot
Devon
TQ12 2BU

Dated: 29/4/21

SANDS SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income from:							
Voluntary income	2	-	-	-	-	1,000	1,000
Incoming resources from charitable activities	3	678,779	71,000	749,779	618,129	44,480	662,609
Investment income	5	395	-	395	450	-	450
Total income		679,174	71,000	750,174	618,579	45,480	664,059
Expenditure on:	4						
Charitable activities	6	595,419	66,662	662,081	507,419	42,203	549,622
Net income for the year/ Net incoming resources		83,755	4,338	88,093	111,160	3,277	114,437
Other recognised gains and losses							
Other gains or losses	10	-	808	808	-	-	-
Net movement in funds		83,755	5,146	88,901	111,160	3,277	114,437
Fund balances at 1 August 2019		615,976	17,300	633,276	504,817	14,023	518,840
Fund balances at 31 July 2020		699,731	22,446	722,177	615,977	17,300	633,277

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SANDS SCHOOL

BALANCE SHEET

AS AT 31 JULY 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	11		289,508		290,905
Current assets					
Debtors	12	216,400		72,528	
Cash at bank and in hand		345,266		380,536	
		561,666		453,064	
Creditors: amounts falling due within one year	14	(94,570)		(86,108)	
Net current assets			467,096		366,956
Total assets less current liabilities			756,604		657,861
Creditors: amounts falling due after more than one year	15		(16,745)		(24,584)
Provisions for liabilities			(17,682)		-
Net assets			722,177		633,277
Income funds					
Restricted funds	19		22,446		17,300
Unrestricted funds			699,731		615,977
			722,177		633,277

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2020.

The Trustees' acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Trustees on 28/4/2021

.....

Mr F A Parffrey

Trustee

Company Registration No. 02274600

SANDS SCHOOL

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	22		(21,938)		190,198
Investing activities					
Purchase of tangible fixed assets		(5,895)		(5,392)	
Interest received		395		450	
Net cash used in investing activities			(5,500)		(4,942)
Financing activities					
Repayment of bank loans		(7,832)		(7,300)	
Net cash used in financing activities			(7,832)		(7,300)
Net (decrease)/increase in cash and cash equivalents			(35,270)		177,956
Cash and cash equivalents at beginning of year			380,536		202,580
Cash and cash equivalents at end of year			345,266		380,536

1 Accounting policies

Charity information

Sands School is a private company limited by guarantee incorporated in England and Wales. The registered office is 30 Fore Street, Totnes, Devon, TQ9 5RP . The Charity's place of business is Greylands, 48 East Street, Ashburton, Devon, TQ13 7AX.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by funders as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.3 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income from school fees is included in incoming resources in the period that the student has received tuition from the school.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies **(Continued)**

1.4 Resources expended

Resources expended are included in the statement of financial activities on an accruals basis, and are recognised when there is a legal or constructive obligation to pay for expenditure.

Certain expenditure is directly attributable to specific functional activities and has been included in those cost categories. Certain other costs, which are attributable to more than one functional activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities or based on the estimated use of the resource concerned or space occupied.

The charity is not registered for VAT. All expenditure is therefore stated inclusive of VAT where applicable.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is provided to write off the cost or valuation, less any residual value of all fixed assets except freehold land and buildings over their estimated useful lives. It is calculated at the following rates:-

Plant and machinery	over 4 years on a straight line basis
Fixtures, fittings & equipment	over 5 years on a straight line basis
Motor vehicles	over 5 years on a straight line basis

Freehold land and buildings are not depreciated as in the opinion of the Trustees the useful economic life and residual value are such that any depreciation would be insignificant. Impairment reviews are carried out periodically, and whenever there is evidence that the value of a tangible asset, or class of asset, may be impaired.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.6 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.7 Cash and cash equivalents

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

1 Accounting policies (Continued)

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include investments, 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the assets expire or are settled or when the Charity transfers the financial assets and substantially all the risks and rewards of ownership to another entity.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 payments 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 obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable 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 recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.9 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1 Accounting policies (Continued)

1.10 Pensions

The Charity contributes to the Teachers' Pension Scheme (England and Wales) at rates set by the Scheme Actuary and advised to Council by the Scheme Administrator.

The Charity also contributes to a defined contribution scheme for staff not within the Teachers' Pension Scheme.

1.11 Leases

Rentals payable under operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to income on a straight line basis over the term of the relevant lease.

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the statement of financial activities on a straight line basis.

1.12 Support costs

Support costs include expenses which enable charitable activities and fund generating to be undertaken. These costs include finance and human resources and are allocated on a basis consistent with the use of the resource.

1.13 Governance costs

Governance costs comprise the costs of running the charity, including strategic planning for its future development, any legal advice for the Trustees, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment or to provide termination benefits.

2 Voluntary income

	Restricted funds	Total
	2020	2019
	£	£
Donations and grants	-	1,000
Donations and grants		
Other	-	1,000
	-	1,000

2 Voluntary income (Continued)

3 Incoming resources from charitable activities

	Net school fees and associated income 2020 £	Net school fees and associated income 2019 £
Net school fees and associated income	725,056	662,609
Restricted Grants	24,723	-
	749,779	662,609
Analysis by fund		
Unrestricted funds	678,779	618,129
Restricted funds	71,000	44,480
	749,779	662,609

4 Breakdown of Incoming resources

	2020	2019
	£	£
Fees Receivable	846,397	732,413
Lunches	13,660	15,382
Buses/ Trips/ Camps	6,575	27,884
Bursaries given	(78,873)	(82,145)
Discounts given	(62,566)	(51,846)
Staff discount	(21,583)	(23,559)
COVID discount	(24,831)	-
LEA funding	46,277	44,480
Klax grant	13,120	
Eclect grant	11,603	
	749,779	662,609

5 Investment income

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	395	450

6 **Charitable activities**

	Costs of operation of school 2020 £	Costs of operation of school 2019 £
Staff costs	372,537	316,850
Depreciation and impairment	7,292	7,588
Restricted expenditure	20,879	-
Supply teachers and cooking contractors	2,635	1,000
Counselling costs	840	1,650
Books, teaching supplies and exam fees	15,061	31,387
Food and refreshments	5,878	9,544
Camp, trip and educational visit costs	788	22,491
Rent and rates	4,828	3,958
Repairs and cleaning	54,023	20,931
Insurances	8,094	7,025
Light and heat	7,125	6,082
	499,980	428,506
Share of support costs (see note 7)	150,104	108,543
Share of governance costs (see note 7)	11,997	12,573
	662,081	549,622
Analysis by fund		
Unrestricted funds	595,419	507,419
Restricted funds	66,662	42,203
	662,081	549,622

7 Support costs

	Support costs	Governance costs	2020	2019	Basis of allocation
	£	£	£	£	
Staff costs	100,165	-	100,165	80,197	Time spent
Motor running and travelling	5,880	-	5,880	9,446	Direct
Bad debts	24,180	-	24,180	-	Direct
Advertising and publicity	1,197	-	1,197	2,916	Direct
Recruitment, training and workshops	6,406	-	6,406	1,515	Direct
Printing, postage and stationery	3,756	-	3,756	5,524	Direct
Telephone and communication	1,163	-	1,163	921	Direct
Copier hire	3,352	-	3,352	3,575	Direct
Bank charges	856	-	856	765	Direct
Interest payable	2,025	-	2,025	2,575	Direct
Sundries	1,124	-	1,124	1,109	Direct
Independent examiner's fees - external scrutiny	-	2,280	2,280	2,280	Governance
Independent examiner's fees - other services	-	4,253	4,253	8,811	Governance
Legal, professional and consultancy fees	-	5,464	5,464	1,482	Governance
	150,104	11,997	162,101	121,116	
Analysed between					
Charitable activities	150,104	11,997	162,101	121,116	

Governance costs includes payments to the independent examiner of £2,280 (2019: £2,280) for independent examination fees and £4,254 (2019: £9,181) for other services.

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year (2019: £nil).

Two Trustees were reimbursed travelling expenses in the year of £nil (2019: £nil)).

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Teaching	20	20
Administration	4	3
Maintenance	1	1
Counselling	1	1
	26	25

Employment costs	2020 £	2019 £
Wages and salaries	407,755	352,331
Social security costs	27,423	18,491
Other pension costs	37,524	26,225
	472,702	397,047

These equate to full time equivalents of 11.6 (2019: 11.60) for teaching, 2 (2019: 2) for administrative, 0.4 for maintenance (2019: 0.4) and 0.4 for counselling (2019: 0.4).

There were no employees whose annual remuneration was £60,000 or more.

10 Other gains or losses

	Restricted funds	Total
	2020 £	2019 £
Foreign exchange gains	(808)	-

11 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 August 2019	277,865	38,256	112,096	26,219	454,436
Additions	-	5,895	-	-	5,895
At 31 July 2020	277,865	44,151	112,096	26,219	460,331
Depreciation and impairment					
At 1 August 2019	-	28,527	108,788	26,216	163,531
Depreciation charged in the year	-	4,979	2,313	-	7,292
At 31 July 2020	-	33,506	111,101	26,216	170,823
Carrying amount					
At 31 July 2020	277,865	10,645	995	3	289,508
At 31 July 2019	277,865	9,729	3,308	3	290,905

Based on an assessment of the value of the property with local estate agents and developers the directors are of the opinion that at 31 July 2020 the market value of land and buildings exceeds the carrying value by at least £200,000.

In the opinion of the directors, the net book value of non-depreciable assets included above is in the region of £110,000.

12 Debtors

	2020	2019
Amounts falling due within one year:	£	£
Fee debtors	74,715	23,941
Other debtors	132,936	40,688
Prepayments and accrued income	8,749	7,899
	216,400	72,528

13 Loans and overdrafts

	2020	2019
	£	£
Bank loans	24,576	32,407
Payable within one year	7,831	7,823
Payable after one year	16,745	24,584

13 Loans and overdrafts (Continued)

The bank loan is secured by a fixed and floating charge over the company's freehold property and is repayable by instalments over a period of 20 years commencing 2 April 2003 at a fixed rate of interest of 7.01493%.

14 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Bank loans	13	7,831	7,823
Other taxation and social security		675	214
Trade creditors		17,565	21,142
Other creditors		1,080	28
Deposits helds		57,001	52,741
Accruals and deferred income		10,418	4,160
		94,570	86,108

15 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans	13	16,745	24,584

Provisions for liabilities	2020 £	2019 £
	17,682	-

Movements on provisions:

	£
Additional provisions in the year	17,682

17 Legal status

The Charity is a company limited by guarantee having no share capital. In the event of the winding up, each member agrees to contribute a sum not exceeding £1. The members of the Company are the School governors and include the directors named on page 2. There were thirteen members at 31 July 2020.

18 Retirement benefit schemes

Defined contribution schemes

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pension Scheme Regulations 2014. 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 following scheme valuations undertaken by the Government Actuary Department. The latest valuation report in respect of the TPS was prepared at 31 March 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 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%.

There are indications that the protections in the new cost cap mechanism required by the Public Services Pension Act 2013 mean public sector workers will get improved pension benefits for employment over the period April 2019 to March 2023.

The pension charge for the year comprises contributions payable to the scheme of £31,416 (2019: £21,599).

The School also runs a defined contribution scheme. The employer's contribution was £6,108 (2019: £916) for the year.

Contributions of £675 were payable at 31 July 2020 (2019 £214).

The charge to profit or loss in respect of defined contribution schemes was £37,524 (2019 - £26,225).

19 Restricted funds

The income funds of the charity for the year included the following restricted funds:

	Balance at 1 August 2019	Movement in funds: Incoming resources	Resources expended	Balance at 31 July 2020
	£	£	£	£
Learning support	4,300	46,277	(50,577)	-
Erasmus funding	-	12,411	(12,411)	-
Meadowbrook	13,000	-	-	13,000
Europaisher Radiopodcast	-	13,120	(3,674)	9,446
	17,300	71,808	(66,662)	22,446

The restricted funds arise as follows:

Learning support - funds received solely to assist specific pupils.

Erasmus - funding received for students to participate in an European exchange programme.

Meadowbrook - funding received from the Meadowbrook Trust to be used to improve the sports court.

Europaisher Radiopodcast - funding received for students to participate in an European exchange programme.

20 Analysis of net assets between funds

	Unrestricted funds 2020	Restricted funds 2020	Total 2020	Unrestricted funds 2019	Restricted funds 2019	Total 2019
	£	£	£	£	£	£
Fund balances at 31 July 2020 are represented by:						
Tangible assets	289,508	-	289,508	290,905	-	290,905
Current assets/ (liabilities)	467,096	-	467,096	366,956	-	366,956
Long term liabilities	(16,745)	-	(16,745)	(24,584)	-	(24,584)
Provisions	(17,682)	-	(17,682)	-	-	-
	722,177	-	722,177	633,277	-	633,277

21 Related party transactions

21 Related party transactions (Continued)

Transactions with related parties
During the year the charity entered into the no transactions with related parties.

22 Cash generated from operations

	2020	2019
	£	£
Surplus for the year	88,093	114,437
Adjustments for:		
Investment income recognised in statement of financial activities	(395)	(450)
Foreign exchange differences	808	-
Depreciation and impairment of tangible fixed assets	7,292	7,588
Movements in working capital:		
(Increase)/decrease in debtors	(143,872)	86,302
Increase/(decrease) in creditors	8,454	(17,679)
(Decrease) in provisions	17,682	-
Cash (absorbed by)/generated from operations	(21,938)	190,198

23 Analysis of changes in net funds

	At 1 August 2019	Cash flows	At 31 July 2020
	£	£	£
Cash at bank and in hand	380,536	(35,270)	345,266
Loans falling due within one year	(7,823)	(8)	(7,831)
Loans falling due after more than one year	(24,584)	7,839	(16,745)
	348,129	(27,439)	320,690