NORTHEASE MANOR SCHOOL LTD

England & Wales · Charity number 307005

Details

Status	Registered
Legal form	Charitable company
Company number	01078648
Registered	1972-12-05
Register	View on the Charity Commission register

Contact

Address	Northease Manor School Newhaven Road Rodmell Lewes BN7 3EY
Phone	01273472915
Email	office@northease.co.uk
Website	www.northease.co.uk

Activities

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

Activities: We are a coeducational independent school for neurodivergent students aged 7 to 19. We provide an individualised education, with access to a wide range of GCSEs, for students whose needs may include speech, language and communication difficulties, autism spectrum condition, dyslexia and other processing, sensory and cognitive delays.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Arts/culture/heritage/science, Amateur Sport
- **Who:** Children/young People, People With Disabilities

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Geography

- East Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£3,747,217	£3,183,077	£2,639,788	66
2024-08-31	£3,221,397	£2,923,570	£2,075,648	63
2023-08-31	£2,960,750	£2,739,901	£1,777,821	62
2022-08-31	£2,703,653	£2,512,758	£1,556,972	56
2021-08-31	£2,153,627	£2,086,009	£1,366,077	48

Trustees

Name	Role	Appointed
Julie Toben	Chair	2016-10-06
Catherine Nash		2025-11-12
Darren Carpenter		2024-06-25
Harriet Osei-Fosu		2025-10-15
Margaret Elizabeth Stebbing		2019-11-07
Matthew Tyler-Smith		2026-05-20
Neil Stanley		2024-10-03
Philippa Field		2024-06-25
Ronak Kantaria		2023-07-11

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NORTHEASE MANOR SCHOOL LTD

England & Wales - Charity number 307005

Accounts

Charity Registration No. 307005

Company Registration No. 01078648 (England and Wales)

NORTHEASE MANOR SCHOOL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

One Bell Lane
Lewes
East Sussex
BN7 1JU

NORTHEASE MANOR SCHOOL LIMITED

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NORTHEASE MANOR SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	Mrs J Toben (Chair)	
	Mr D Carpenter (Vice Chair)	
	Ms P Field	
	Mr R Kantaria	
	Mrs C Nash	(Appointed 12 November 2025)
	Ms H Osei-Fosu	(Appointed 15 October 2025)
	Mr N Stanley	(Appointed 3 October 2024)
	Mrs M Stebbing	
Headteacher	Mrs C Stamos	
Charity number	307005	
Company number	01078648	
Registered office	Newhaven Road Rodmell Lewes East Sussex BN7 3EY	
Auditor	TC Group One Bell Lane Lewes East Sussex BN7 1JU	
Bankers	Lloyds Bank Plc 8 High Street Lewes East Sussex BN7 2AD	
	Charity Bank Limited Fosse House 182 High Street Tonbridge Kent TN9 1BE	
Solicitors	Sherrards Employment Law Solicitors 4 Albourne Court Henfield Road Albourne West Sussex BN6 9FF	

NORTHEASE MANOR SCHOOL LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2025

The Governors present their annual report and financial statements for the year ended 31 August 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and Activities

The objects are set out in the Memorandum of Association as being the promotion and provision of facilities for the advancement of education. Northease Manor School (Northease) is for students aged between 7 and 19 who have special educational needs and disabilities (SEND).

It remains the policy of the Governors that Northease should continue to be a centre of excellence for the education of neurodivergent young people.

We aim to provide an outstanding educational environment that restores and increases young peoples' self-esteem and educates the whole child, so that each young person has the tools they need to overcome the societal barriers and attitudes to their specific learning support need. The school has a clear and focused objective to become a leading school in its field. We promote the academic, moral, and physical development of our students through our academic curriculum, pastoral, and therapeutic care, sporting, and other activities.

The Governors have read the Charity Commission's guidance on public benefit, and the specific guidance for charities whose objects include education. The Governors have paid due regard to the Commission's guidance, and all who make decisions about the activities the Charity undertakes are concerned to ensure that a real educational benefit is provided to a broad range of students. The Governors consider that the achievements and performance of the charity demonstrate success in this regard.

Governors keep under review the structure of the school to ensure that we meet the required standards for the curriculum. From the start of the Academic year 2019/20 the school ceased to provide boarding, focusing resources on day students, and expanding our sixth form provision.

School Values and Position

The school has evolved to reflect those needs and aspirations that are sought after by parents, carers and students. The school focuses on neurodivergent needs including speech, language and communication difficulties, autism spectrum condition (ASC), dyslexia and other processing, sensory and cognitive delays.

The school's aim is to 'make the difference'. We achieve this by:

- Combining specialist expertise with passion and freedom
- Delivering impactful outcomes for our students and all those who have touched their lives
- Recognising and valuing difference
- Building confidence, character, and capability to realise students' potential

Clear expectations of the school community's attitudes and behaviours are set out in our school values:

- Kindness
- Safety
- Effort
- Attendance

Key Objectives

The school has a clear vision to become the leading special educational needs provider; equipping students with the skills, attitudes, behaviours, and opportunities to flourish. We aim to achieve this by:

- Being committed to educational excellence
- Providing a personalised education through individualised solutions
- Overcoming challenges with resilience and confidence
- Supporting students academically and pastorally to achieve potential

The school's strategy is based on delivery in 6 strategic pillars:

- Nurturing our community
- Creating collaborative excellence
- Growing our people
- Strengthening our partnerships
- Driving operational simplicity
- Sustaining strong governance and financial resilience

Ethos

Northease is a charity benefiting neurodivergent children and young people who have not flourished in other settings. The school's fees are inclusive of all therapies, and it has a commitment to continue working with local authorities and parents and carers to provide an education that meets the needs of its young people.

The school celebrates students of all backgrounds and prides itself on its approach to equalities, diversity and inclusion which is embedded in the curriculum and school's culture.

The safeguarding practice in the school has been commended recently by ISI and the school continues to work with all agencies in relation to keeping children safe. The behaviour of students at Northease is good, reflecting the approach the school has in addressing behaviour based on individual need. The pastoral care allows students and staff to work in a safe environment so that students achieve academically, emotionally, and socially; many of our students have communication needs and the school is committed to instilling the life skills and preparation for adulthood required for students to contribute effectively to their communities and society in general.

Northease believes in equality of opportunity and is committed to the development of staff in line with its key objectives. At the school's core is a culture which genuinely celebrates diversity and champions inclusion. These are more than just words for us; they are the hard-and-fast principles guiding how we build our teams, cultivate leaders, and create a community that is the right fit for every person inside of it.

Curriculum

The curriculum is inclusive for all students. No students are restricted from entering any route of study and as such all have a balanced curriculum that meets their academic, social, and emotional needs. The school offers a curriculum in line with the maintained sector and in addition has subjects such as Horticulture, Duke of Edinburgh, Engineering, life courses such as 'ASDAN', PSHE as a distinct class for all students, and a full enrichment programme. We also have a 'Preparation for Adulthood' class in each year group that includes learning how to do the day-to-day tasks, including travel into the community, that many neurotypical people can take for granted. The social aspect of learning is key for our students and this preparation for independence beyond Northease is essential.

The school has integrated therapies as part of its local offer and students benefit from education staff who have been trained in practical aspects of Speech and Language Therapy and Occupational Therapy. The therapy team at Northease work with their teacher colleagues in partnership so that all students' needs are at the forefront of what the school does.

We are able to offer P.E. classes, as well as sporting enrichments to all of our students as well as Sports Studies and Sports Leadership for GCSE.

The Arts are exceptionally popular at Northease; neurodivergent children and young people can often excel in these areas. The school offers GCSE, and skills-based classes to all students and achieves excellent results. The school also runs Project Northease, an arts-based Enterprise Project solely to promote the artistic achievements of our students. The end of year art, photography and textiles show is always commended by parents, carers and visitors.

Achievements and performance

GCSE results achieved by the students are, on average, more than one grade higher than predicted across all subjects. The school accommodates for the academic needs of its students and uses standardised tests to predict grades. Student needs are not just measured through academic attainment at Northease, rather the whole needs of the child are developed through the nurturing, supportive nature of classes, therapies and pastoral care.

Inspection

The school was inspected by the Independent Schools Inspectorate (ISI) in March 2025. The school was found to be fully compliant in all areas on both occasions, with no action points or recommendations. A further Local Authority safeguarding inspection took place in November 2024 which also did not raise any concerns.

Community

The school is now developing links with local schools and businesses as well as Independent SEND schools across the South East. The school development plan has a focus on engagement for students and with the community as well as centring our focus on the targets for each student in their EHCP.

Northease hosts new-parent coffee mornings, training opportunities provided by the in-house therapy team, as well as Parent Evenings, a 6th form Open Evening, Preparation for Exams, and an Options Evening for those who require planning preparation and an Open Morning for professionals and prospective families. Parents and carers are welcomed on site to meet with teachers, therapists and the senior leadership team whenever they need as we maintain an open-door policy. Within the wider community the school is developing links with similar schools and is conducting and hosting visits to share current practice and provide a network of support.

Financial review

The school's financial performance is linked to several factors, the most significant being student numbers. The school has successfully reversed an adverse position where student numbers had fallen to below 50. The combination of two recent ISI inspections that met all compliance requirements, and the support we have received from our principle Local Authority partners (East Sussex County Council, West Sussex County Council and Brighton and Hove City Council) has seen student numbers increase year on year. The school started 2024/25 with 109 students with more joining 'in year'.

Historically, low student numbers and a series of unexpected significant costs, left the school running at serious deficit for a number of years. Increasing student numbers, negotiating an increased fee level with all local authorities over a three-year plan, and the improved oversight through the Finance and Estates Committee has had a significant and positive impact and provided a robust platform for the long-term sustainability of the school. The Governors regularly review a set of financial golden rules to ensure we have sufficient liquidity to cover our regular commitments; that we maintain active oversight of our loan portfolio, to build and maintain an appropriate level of reserve.

The year ended with a surplus of £564,139 post depreciation (£638,990 pre-depreciation). Following the demolition of the temporary block at the rear of the school additional classroom spaces have been created within existing buildings. Further works to improve the provision of the school have taken place including a carpark extension due to the growth of traffic within the school, ongoing maintenance to our Grade II listed buildings as well as further development of our intervention classes and resources. Further spending will be needed for the increase in salary costs due to Employers National Insurance Contributions and the continuing increases in national minimum wage as well as a determination within the school's Governance that staff are paid at a competitive market rate. The school has now implemented a Pay Policy to clearly outline increases in salaries for all staff and plans to remain competitive with its pay wherever affordable.

Our financial plan is supported by a mortgage from Charity Bank; a 25-year repayment mortgage for £410,000. This was put in place as part of our recovery plan to ensure sufficient capital was available and for the school to start to make necessary investments in the estate and equipment. A recent renegotiation has resulted in the interest rate being lowered by Charity Bank from 3.25% above base rate to 2.79% above base rate.

We are a registered charity which means we do not have commercial owners and any surpluses are put back into developing the school. We are Department of Education approved to accept students with local authority funding, if available, and because of our charitable status we can offer affordable fees for those who are self- funding.

Reserves policy

It is the policy of the school that its financial activities are maintained within a tight budget, which is approved annually by the Full Governing Body. The nature of the school's activities determines that the reserves fund, property, and other net assets, are held to cover unexpected shortfalls on the Statement of Financial Activities. The Governors consider that, in the event of a significant drop in short-term funding, they will be able to continue the school's activities whilst consideration is given to ways in which additional funds may be raised.

Investment policy and objectives

There are no restrictions on the school's absolute powers of investment. The policy continues to be to put any retained funds in higher deposit interest accounts.

Principal Risks and Uncertainties

The Governors review the school's current and planned future activities in the light of known and emerging risks, major risks and have the systems and procedures designed to manage them. The school is financially dependent on local authorities who have been adversely impacted financially. We plan future budgets based on possible scenarios, such as the proposed removal of business rates relief and VAT on fees in order to manage implications financially.

The economic context is rapidly changing with inflation upward movement and the continuing rise in energy pricing plus increased material and labour costs together with increases in teaching and support staff salaries, are being factored into forward planning. The rapid increase in student numbers through the last three years is giving us further confidence that our financial plan is robust, but we are not complacent.

The school has been well planned through dynamic risk assessments and business continuity planning. An increase in fees was agreed with all local authorities as well as private fee payers for the three years from 2023-24 to2025-26. We are now receiving the final year of these planned increases and have begun negotiations for a further increase with the local authorities for 2026-27.

Our plans and strategies for managing risk include maintaining effective internal controls, a strategic risk register, a considered risk appetite, incident-reporting and monitoring systems and appropriate insurance cover.

Plans for Future Periods

School numbers have increased more than 50% in the past 2 years For 2025 the school increased admissions again to nearing capacity. To date we have already exceeded our budgeted student numbers. The crisis facing SEND educational and family support systems in the southeast is a significant factor in the growth of admissions, but improved relationships with our local authority partners who see Northease as value for money in delivering excellent outcomes for our students is the key factor in the maintenance of student numbers. Increased fees with the local authorities have not had an effect on placements and increased publicity has assured our reputation as the gold standard for SEND education locally.

Northease continues to offer a high-quality provision that represents good value for money for our stakeholders. Current and forecasted economic conditions had added to the school's challenges in delivering on planned outcomes, and the school governors and leadership team are working together to form a strategy to ensure the school's continued success into the future. Following a safeguarding visit from East Sussex County Council in September 2022 considerable changes were required to ensure safeguarding; these were addressed and resulted in a further inspection in February 2023 which had no further improvements required. Follow up inspections in February 2024 and March 2025 also had no improvement to note.

Considerable requests have been received over the past two years for additional student placements in lower year groups – from years 2 through to year 6. The school is registered with the DofE to educate students from age 9, but is currently unable to provide classroom spaces due to the makeup of the school site and the limited rooms its Grade II listed buildings can house. Further to this is an increased need for SEND specialised placements for younger students as needs have become more readily identified. In addition, the school recognises that SEND professional, such as diagnosticians and Educational Therapists are in demand and waiting lists growing for assessments. Consideration is therefore being given to an expansion of the school's buildings to encompass a new build at the rear of the property on land currently not in use. This could potentially house a primary school setting as well as a diagnostic centre. Estimates of this expansion have not yet been obtained, but would approximate over £1,000,000 if realised. An additional fee uplift is needed for this vision to become a reality, as well as maintained financial security.

Structure, Governance and Management

The charitable company's original constitution is per the 1972 Trust Deed and registered with the Charity Commissioners under charity number 307005. The Memorandum and Articles of Association (1972) have been amended in subsequent years, the latest amendment being in 2021.

Northease Manor School Limited (the Trust) is the legal entity that owns the land, buildings, and other assets of Northease Manor School. The school operates as a charitable company limited by guarantee. The Board of Governors of Northease Manor School Limited (the Board) are the directors and trustees of the charitable company. The agenda for all meetings takes account of these separate but concurrent responsibilities.

None of the Governors have any beneficial interest in the company. All Governors are members of the company and guarantee to contribute £1 in the event of a winding up.

The Governors, who also act as Trustees and who are also the directors for the purpose of company law, and who served during the year and since the year end were:

Mrs J Toben (Chair)	
Mr D Carpenter (Vice Chair)	
Mr S Bridge	(Appointed 3 October 2024 and resigned 8 November 2024)
Mrs G Des Moulins	(Resigned 7 January 2025)
Ms P Field	
Mr R Kantaria	
Mrs C Nash	(Appointed 12 November 2025)
Ms H Osei-Fosu	(Appointed 15 October 2025)
Mr N Stanley	(Appointed 3 October 2024)
Mrs M Stebbing	

Recruitment and Appointment of Governors

The Governors aim to maintain a Board with a diverse range of skills and expertise, experience, and perspective to provide effective direction and oversight. The Board consists of not fewer than five and not more than 9 Governors. The Board has absolute discretion as to the appointment of any Governor. The term of office for a Governor is three years and they are eligible to serve up to a further two terms.

The Chair is responsible for the leadership of the Board and ensuring its effectiveness in all aspects of its role. The Chair facilitates both the contribution of Governors and the constructive relations between the Board and the Head and Senior Leadership Team.

The Governors handbook includes role descriptions for Governors plus the Chair and Safeguarding Governor, a conflicts of interest policy and a code of conduct for Governors, based upon the Nolan Principles (the Seven Principles of Public Life). Terms of Reference have been established for Academic and Finance and Estates Committees.

The Board may from time to time, seek nominations from parents of students attending the school. The number of Parent Governors must not exceed one third of the Board. A parent governor ceases to be a Governor on the day their child leaves the school. No parent governors were in place during the academic year 2024/25.

Organisational Structure

The Board is ultimately responsible for all aspects of the school and its future well-being. Through a Scheme of Delegation, it has delegated to the Headteacher in their role as Chief Executive, responsibility for the day-to-day operation and management of the school. The Board exercises an appropriate measure of control over this delegated responsibility by:

Education & Charitable Objects

- Approving the academic policy statement.
- Annually reviewing the child protection policy and procedures.
- Receiving data (but not the individual details) on formal parental complaints and providing a panel to hear appeals.
- Ensuring that the charitable objects of the school are met and that public benefit ensues.

Finance

- Providing written delegated financial powers to the Headteacher and Head of Finance.
- Approving a five-year financial forecast.
- Approving the annual revenue and capital budgets and regularly reviewing performance against these budgets at least each term.
- Approving the fee structure..
- Keeping a regular oversight of unpaid fees, debtors and bad debts.
- Approving any expenditure outside the agreed budget at the school.
- Overseeing investment & investment property matters.
- Ensuring that all matters relating to income and corporation tax, value added tax and council tax are being properly dealt with.
- Reviewing the annual report and financial statements with the auditors and then approving them.
- Receiving an annual report on all insurance cover, including that indemnifying the liabilities of the directors and officers.

Staff & Personnel Matters

- Approving the terms of and conditions of employment for all staff.
- Approving all increases and changes to the approved salary scales and setting the level of remuneration for the Headteacher and the Head of Finance.
- Receiving reports on compliance with changes in employment law.
- Monitoring the application of the staff discipline and grievance procedures.

Estate and Premises

- By way of a planned maintenance programme, ensuring buildings, plant and equipment are maintained to a high standard.
- Ensuring the school has appropriate policies and systems to comply with all building safety and health & safety legislation.
- Approval of changes to building redesign and usage and the development of new facilities

Professional Advice & Support

- Appointing all professional advisers and keeping those appointments under review.

The full Board of Governors meets at least four times a year. A regular skills audit of the Board t informs the recruitment of further suitably skilled Governors.

Remuneration of Key Management

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the school remains sensitive to the broader issues of pay and employment conditions elsewhere.

Funds held as custodian trustee

There are no arrangements where the charity or Governors are acting as custodians.

Auditor

In accordance with the company's articles, a resolution proposing that TC Group be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

In approving the Governors' Report, we also approve the Directors' Report included therein, in our capacity as company directors.

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

Mrs J Toben (Chair)
Governor

Date: 25th March 2026

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2025

The Governors, who are also the directors of Northease Manor School Limited for the purpose of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTHEASE MANOR SCHOOL LIMITED

Opinion

We have audited the financial statements of Northease Manor School Limited (the 'charitable company') for the year ended 31 August 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Governors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Governors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Governors' report and from the requirement to prepare a strategic report.

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;

- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;

- We considered the nature of the company's operations, the control environment and business performance, including the key drivers for management's remuneration;

- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;

- We considered the procedures and controls that the group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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

TC Group

David Martin FCA (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor
Office: Lewes

Date: 27 March 2026

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

Current financial year

	Notes	Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Income and endowments from:						
Donations and legacies	**3**	-	-	5,350	5,350	5,881
Charitable activities	**4**	3,646,440	-	-	3,646,440	3,152,282
Fundraising projects	**5**	1,802	-	-	1,802	2,109
Investments	**6**	7,073	-	-	7,073	5,809
Other income	**7**	86,552	-	-	86,552	55,316
Total income		3,741,867	-	5,350	3,747,217	3,221,397
Expenditure on:						
Raising funds	**8**	1,144	-	-	1,144	2,328
Charitable activities	**9**	3,121,121	59,597	1,215	3,181,933	2,915,861
Other	**15**	-	-	-	-	5,381
Total expenditure		3,122,265	59,597	1,215	3,183,077	2,923,570
Net incoming resources before transfers		619,602	(59,597)	4,135	564,140	297,827
Gross transfers between funds		(139,459)	139,459	-	-	-
Net income for the year/ Net movement in funds		480,143	79,862	4,135	564,140	297,827
Fund balances at 1 September 2024		362,014	1,713,624	10	2,075,648	1,777,821
Fund balances at 31 August 2025		842,157	1,793,486	4,145	2,639,788	2,075,648

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

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.

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

Prior financial year

	Notes	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £
Income and endowments from:					
Donations and legacies	3	-	-	5,881	5,881
Charitable activities	4	3,152,282	-	-	3,152,282
Fundraising projects	5	2,109	-	-	2,109
Investments	6	5,809	-	-	5,809
Other income	7	55,316	-	-	55,316
Total income		3,215,516	-	5,881	3,221,397
Expenditure on:					
Raising funds	8	2,328	-	-	2,328
Charitable activities	9	2,857,804	53,897	4,160	2,915,861
Other	15	5,381	-	-	5,381
Total expenditure		2,865,513	53,897	4,160	2,923,570
Net incoming resources before transfers		350,003	(53,897)	1,721	297,827
Gross transfers between funds		(259,676)	261,542	(1,866)	-
Net income for the year/ Net movement in funds		90,327	207,645	(145)	297,827
Fund balances at 1 September 2023		271,687	1,505,979	155	1,777,821
Fund balances at 31 August 2024		362,014	1,713,624	10	2,075,648

NORTHEASE MANOR SCHOOL LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**17**		1,862,665		1,756,408
Current assets					
Debtors	**18**	1,217,042		897,732	
Cash at bank and in hand		1,441,173		979,802	
		2,658,215		1,877,534	
Creditors: amounts falling due within one year	**19**	(1,516,460)		(1,182,853)	
Net current assets			1,141,755		694,681
Total assets less current liabilities			3,004,420		2,451,089
Creditors: amounts falling due after more than one year	**20**		(364,632)		(375,441)
Net assets			2,639,788		2,075,648
The funds of the charitable company					
Restricted income funds	**25**		4,145		10
Unrestricted funds - general			842,157		362,014
Unrestricted funds - designated	**24**		1,793,486		1,713,624
			2,639,788		2,075,648

The financial statements were approved by the Governors on 25th March 2026

Mrs J Toben (Chair)
Governor

Company registration number 01078648 (England and Wales)

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025		2024	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	**29**		644,092		593,587
Investing activities					
Purchase of tangible fixed assets		(181,108)		(275,634)	
Proceeds from disposal of tangible fixed assets		250		-	
Investment income received		7,073		5,809	
Net cash used in investing activities			(173,785)		(269,825)
Financing activities					
Repayment of bank loans		(8,936)		(7,679)	
Net cash used in financing activities			(8,936)		(7,679)
Net increase in cash and cash equivalents			461,371		316,083
Cash and cash equivalents at beginning of year			979,802		663,719
Cash and cash equivalents at end of year			1,441,173		979,802

1 Accounting policies

Charity information

Northease Manor School Limited is a private company limited by guarantee incorporated in England and Wales and a registered charity. The registered office is Newhaven Road, Rodmell, Lewes, East Sussex, BN7 3EY.

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 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

The financial statements have been prepared on a going concern basis. The Governors have prepared detailed budgets and cash flow forecasts for at least 12 months from the date of the approval of these financial statements. On the basis of these, along with a robust recovery plan and together with support from Charity bank, the Governors consider it appropriate to prepare the financial statements on a going concern basis.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Governors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charitable company 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.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company 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)**

School fees receivable are charged for services and use of the premises are accounted for in the period in which the service is provided.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.6 Tangible fixed assets

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

Capital items over £1,000 are capitalised at cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	Not depreciated
Freehold buildings	15 or 50 years straight line
Computer hardware & software	3 years straight line
Fixtures, fittings & equipment	15% straight line
Motor vehicles	25% straight line

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 Accounting policies **(Continued)**

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible 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).

1.8 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.

1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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 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.

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 charitable company's contractual obligations expire or are discharged or cancelled.

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

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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

1.11 Retirement benefits

The school operates a defined contributions pension scheme. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Academic staff are members of the teachers' superannuation scheme administered by the Teachers' Pension Agency. Contributions to the scheme are charges to the statement of financial activities as they fall due.

2 **Critical accounting estimates and judgements**

In the application of the charitable company's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Depreciation

The charitable company exercises judgement to determine useful lives and residual values of property, plant and equipment. The assets are depreciated down to their residual values over their estimated useful lives.

3 **Income from donations and gifts**

	Restricted funds 2025 £	Restricted funds 2024 £
Donations and gifts	5,350	5,881

4 Charitable activities

	School fees 2025 £	Other school income 2025 £	Total 2025 £	School fees 2024 £	Other school income 2024 £	Total 2024 £
Gross fees	3,465,460	47,405	3,512,865	3,126,668	40,212	3,166,880
Less: Bursaries and discounts	-	-	-	(14,598)	-	(14,598)
Grant income	-	133,575	133,575	-	-	-
	3,465,460	180,980	3,646,440	3,112,070	40,212	3,152,282

5 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising events	1,802	2,109

6 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	7,073	5,809

7 Other income

	Unrestricted funds general 2025 £	Unrestricted funds general 2024 £
Net gain on disposal of tangible fixed assets	250	-
Rent and letting fees	2,988	2,988
Registration fees and miscellaneous income	83,314	52,328
	86,552	55,316

8 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Fundraising events	1,144	2,328

9 Charitable activities

	Teaching and educational costs	Welfare costs	Support and administration costs	Premises costs	Total	Total
	2025	2025	2025	2025	2025	2024
	£	£	£	£	£	£
Staff costs	2,062,069	170,086	311,839	-	2,543,994	2,298,378
Depreciation and impairment	-	9,537	5,717	59,597	74,851	71,788
Other costs	40,920	57,609	218,232	200,037	516,798	492,261
	2,102,989	237,232	535,788	259,634	3,135,643	2,862,427
Share of governance costs (see note 11)	46,290	-	-	-	46,290	53,434
	2,149,279	237,232	535,788	259,634	3,181,933	2,915,861
Analysis by fund						
Unrestricted funds - general	2,149,279	237,232	534,573	200,037	3,121,121	2,857,804
Unrestricted funds - designated	-	-	-	59,597	59,597	53,897
Restricted funds	-	-	1,215	-	1,215	4,160
	2,149,279	237,232	535,788	259,634	3,181,933	2,915,861

9 Charitable activities (Continued)

For the year ended 31 August 2024

	Teaching and educational costs	Welfare costs	Support and administration costs	Premises costs	Total
	2024	2024	2024	2024	2024
	£	£	£	£	£
Staff costs	1,848,912	163,916	285,550	-	2,298,378
Depreciation and impairment	-	10,645	7,246	53,897	71,788
Other costs	40,958	49,295	240,012	161,996	492,261
	1,889,870	223,856	532,808	215,893	2,862,427
Share of governance costs (see note 11)	53,434	-	-	-	53,434
	1,943,304	223,856	532,808	215,893	2,915,861
Analysis by fund					
Unrestricted funds - general	1,943,304	223,856	528,648	161,996	2,857,804
Unrestricted - designated	-	-	-	53,897	53,897
Restricted funds	-	-	4,160	-	4,160
	1,943,304	223,856	532,808	215,893	2,915,861

10 Charitable activities - other costs

Other costs relating to teaching and educational costs comprise:	2025	2024
	£	£
Educational equipment	28,069	23,280
Professional development	3,604	7,551
Specialist fees (exams)	6,361	7,265
Tuck shop expenses	2,886	2,862
	40,920	40,958

10 Charitable activities - other costs (Continued)

Other costs relating to welfare costs comprise:	2025	2024
	£	£
Catering supplies	50,832	45,140
Catering hospitality	6,777	4,155
	57,609	49,295

Other costs relating to premises costs comprise:	2025	2024
	£	£
Council tax & water	12,205	10,707
Insurance	39,709	35,797
Fuel & light	55,552	65,113
Health & safety	7,987	7,183
Buildings maintenance	67,417	23,937
Grounds maintenance	6,748	6,428
Household expenses	8,296	10,577
Swimming pool expenses	2,123	2,254
	200,037	161,996

Other costs relating to support and administration costs for schooling comprise:	2025	2024
	£	£
Stationery & printing	12,126	15,853
Postage	424	925
Telephone	12,056	9,290
Television, film & cameras	344	329
Legal & professional	7,598	13,000
Recruitment	149	2,661
Travelling & motor	2,364	4,346
Maintenance of equipment	20,238	27,317
IT development & support	61,808	59,032
Bad debts	(500)	(291)
Miscellaneous	5,048	12,018
Subscriptions & licences	15,215	18,183
Outsourcing	70,007	67,407
Licences	10,255	9,942
	217,132	240,012

11 Governance costs

	2025	2024
	£	£
Audit fees	10,463	12,540
Accountancy	240	402
Bank charges	(284)	(2,469)
Clerking costs	1,156	855
Loan interest	29,915	32,894
Governor recruitment	4,800	9,212
	46,290	53,434
Analysed between		
Charitable activities	46,290	53,434

12 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	10,463	12,540
Depreciation of owned tangible fixed assets	74,851	71,788
(Profit)/loss on disposal of tangible fixed assets	(250)	5,381

13 Governors

None of the Governors (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

14 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
	66	63

14 Employees (Continued)

Employment costs

	2025	2024
	£	£
Wages and salaries	2,077,020	1,885,095
Social security costs	183,946	146,891
Other pension costs	262,651	226,304
	2,523,617	2,258,290

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025	2024
	Number	Number
£80,000 - £90,000	1	1

Remuneration of key management personnel

Key management personnel received remuneration, which includes employers NI, and employer pension contributions, as follows:

	2025	2024
	£	£
Aggregate compensation	374,766	317,476

15 Other expenditure

	Unrestricted funds 2025	Unrestricted funds 2024
	£	£
Net loss on disposal of tangible fixed assets	-	5,381

16 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

17 Tangible fixed assets

	Freehold land and buildings	Computer hardware & software	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2024	3,469,033	32,915	48,188	34,450	3,584,586
Additions	139,459	-	14,702	26,947	181,108
Disposals	-	-	(8,056)	(15,170)	(23,226)
At 31 August 2025	3,608,492	32,915	54,834	46,227	3,742,468
Depreciation and impairment					
At 1 September 2024	1,755,409	17,908	24,336	30,525	1,828,178
Depreciation charged in the year	59,597	5,612	5,717	3,925	74,851
Eliminated in respect of disposals	-	-	(8,056)	(15,170)	(23,226)
At 31 August 2025	1,815,006	23,520	21,997	19,280	1,879,803
Carrying amount					
At 31 August 2025	1,793,486	9,395	32,837	26,947	1,862,665
At 31 August 2024	1,713,624	15,007	23,852	3,925	1,756,408

18 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	1,198,240	868,490
Prepayments and accrued income	18,802	29,242
	1,217,042	897,732

19 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Bank loans	21	10,706	8,833
Other taxation and social security		262,908	34,642
Deferred income	22	1,176,788	1,027,424
Trade creditors		22,597	69,065
Other creditors		32,511	30,349
Accruals		10,950	12,540
		1,516,460	1,182,853

20 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Bank loans	21	364,632	375,441

21 Loans and overdrafts

	2025 £	2024 £
Bank loans	375,338	384,274
Payable within one year	10,706	8,833
Payable after one year	364,632	375,441

The bank loan is secured by fixed charges over the freehold property known as Northease Manor School together with funds held in the Debt Service Reserve Account.

The loan is repayable over a period of 25 years at an interest rate of 3.25% above the Bank of England base rate. A recent negotiation has resulted in the interest rate being lowered by Charity Bank from 3.25% to 2.79% above base rate.

22 Deferred income

	2025	2024
	£	£
Arising from Fees in advance	1,176,788	1,027,424

Deferred income is included in the financial statements as follows:

	2025	2024
	£	£
Deferred income is included within:		
Current liabilities	1,176,788	1,027,424
Movements in the year:		
Deferred income at 1 September 2024	1,027,424	914,533
Released from previous periods	(1,027,424)	(914,533)
Resources deferred in the year	1,176,788	1,027,424
Deferred income at 31 August 2025	1,176,788	1,027,424

Deferred income represents winter term fees for the coming school year which are billed in advance.

23 Retirement benefit schemes

Defined contribution schemes

The school operates two pension schemes for the benefit of employees. The Teachers' Pension Scheme (TPS), a defined benefit scheme, is available to all teachers. All other staff can enter a defined contributions scheme.

Defined contribution

The assets of the scheme are held separately from those of the School in an independently administered fund. Contributions to the scheme are charges to the Statement of Financial Activities as they fall due. Contributions payable by the charitable company at the year end amounted to £16,180 (2024 - £13,971).

The company also operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. Contributions totalling £3,519 (2024 - £2,974) were payable to the fund at the year end and are included in creditors.

23 Retirement benefit schemes **(Continued)**

Teachers' Pension Scheme

Teachers' Pension Scheme 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.

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 ensure scheme costs are recognised and managed appropriately and the review specifies 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 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

• Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.

• Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the period amounted to £246,471 (2024- £212,783).

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 is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the school has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The school has set out above, the information available on the scheme.

24 Unrestricted funds - designated

These are unrestricted funds which are material to the charitable company's activities.

	At 1 September 2024	Resources expended	Transfers	At 31 August 2025
	£	£	£	£
Fixed asset fund	1,713,624	(59,597)	139,459	1,793,486

Previous year:	At 1 September 2023	Resources expended	Transfers	At 31 August 2024
	£	£	£	£
Fixed asset fund	1,505,979	(53,897)	261,542	1,713,624

The Fixed Asset Fund has been established to reflect the charitable company's investment in its freehold property assets. A transfer is made each year from the general fund to reflect any additions paid by general funds and also disposals made in the year. The transfer from the general fund during 2025 totalled £139,459 (2024 - £261,542).

25 Restricted funds

The income funds of the charitable company include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	At 1 September 2024	Incoming resources	Resources expended	Transfers	At 31 August 2025
	£	£	£	£	£
Horticultural Area	-	5,000	(1,205)	-	3,795
Duke of Edinburgh	10	-	(10)	-	-
Ralph's Tree	-	350	-	-	350
	10	5,350	(1,215)	-	4,145

25 **Restricted funds** **(Continued)**

Previous year:	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
Brighton Half Marathon	-	165	(249)	84	-
London to Brighton Walk	-	2,566	-	(2,566)	-
Horticultural Area	-	2,650	(3,241)	591	-
Swimming Pool	123	-	(144)	21	-
Duke of Edinburgh	-	500	(490)	-	10
Library	32	-	(36)	4	-
	155	5,881	(4,160)	(1,866)	10

The Brighton Half Marathon was completed by Nick Kennedy to raise funds for the purchase dyslexia reading pens.

The London to Brighton walk was completed by Kaye, Millie and Daisy to raise funds for phase one of the trim trail.

The Horticultural Area fund was set up to provide resources to help develop the horticultural area.

The Swimming Pool fund was set up to provide equipment for the swimming pool.

The Duke of Edinburgh fund was set up to help support the school in its purchase of resources.

The Library fund was set up to support the purchase of books for the library.

The Ralph's Tree fund was set up in memory of a school therapy dog and beloved pet of a staff member who sadly passed away during the year and funds were raised by staff and families to plant a tree and provide a seating area.

26 Analysis of net assets between funds

	Unrestricted funds general 2025	Unrestricted funds designated 2025	Restricted funds 2025	Total 2025
	£	£	£	£
Fund balances at 31 August 2025 are represented by:				
Tangible assets	69,179	1,793,486	-	1,862,665
Current assets/(liabilities)	1,137,610	-	4,145	1,141,755
Long term liabilities	(364,632)	-	-	(364,632)
	842,157	1,793,486	4,145	2,639,788

	Unrestricted funds general 2024	Unrestricted funds designated 2024	Restricted funds 2024	Total 2024
	£	£	£	£
Fund balances at 31 August 2024 are represented by:				
Tangible assets	42,784	1,713,624	-	1,756,408
Current assets/(liabilities)	694,671	-	10	694,681
Long term liabilities	(375,441)	-	-	(375,441)
	362,014	1,713,624	10	2,075,648

27 Operating lease commitments

Lessee

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025	2024
	£	£
Within one year	1,984	3,076
Between two and five years	6,944	-
	8,928	3,076

28	**Capital commitments**	**2025**	**2024**
		£	**£**
	Amounts contracted for but not provided in the financial statements:		
	Acquisition of property, plant and equipment	16,161	42,934

29	**Cash generated from operations**	**2025**	**2024**
		£	**£**
	Surplus for the year	564,140	297,827
	Adjustments for:		
	Investment income recognised in statement of financial activities	(7,073)	(5,809)
	(Gain)/loss on disposal of tangible fixed assets	(250)	5,381
	Depreciation and impairment of tangible fixed assets	74,851	71,788
	Movements in working capital:		
	(Increase)/decrease in debtors	(319,310)	51,187
	Increase in creditors	182,370	60,322
	Increase in deferred income	149,364	112,891
	Cash generated from operations	644,092	593,587

30 Analysis of changes in net funds

	At 1 September 2024	**Cash flows**	**At 31 August 2025**
	£	**£**	**£**
Cash at bank and in hand	979,802	461,371	1,441,173
Loans falling due within one year	(8,833)	(1,873)	(10,706)
Loans falling due after more than one year	(375,441)	10,809	(364,632)
	595,528	470,307	1,065,835

NORTHEASE MANOR SCHOOL LTD

England & Wales - Charity number 307005

Accounts

Charity Registration No. 307005

Company Registration No. 01078648 (England and Wales)

NORTHEASE MANOR SCHOOL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

One Bell Lane
Lewes
East Sussex
BN7 1JU

NORTHEASE MANOR SCHOOL LIMITED

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NORTHEASE MANOR SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	Mrs J Toben MIoD, MCIOF (Chair)	
	Mr D Carpenter (Vice Chair)	(Appointed 25 June 2024)
	Ms P Field	(Appointed 25 June 2024)
	Mr R Kantaria	
	Mr N Stanley	(Appointed 3 October 2024)
	Mrs M Stebbing	
Headteacher	Mrs C Stamos	
Charity number	307005	
Company number	01078648	
Registered office	Newhaven Road Rodmell Lewes East Sussex BN7 3EY	
Auditor	TC Group One Bell Lane Lewes East Sussex BN7 1JU	
Bankers	Lloyds Bank Plc 8 High Street Lewes East Sussex BN7 2AD	
	Charity Bank Limited Fosse House 182 High Street Tonbridge Kent TN9 1BE	
Solicitors	Sherrards Employment Law Solicitors 4 Albourne Court Henfield Road Albourne West Sussex BN6 9FF	

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2024

The Governors present their annual report and financial statements for the year ended 31 August 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and Activities

The objects are set out in the Memorandum of Association as being the promotion and provision of facilities for the advancement of education. Northease Manor School (Northease) is for students aged between 7 and 19 who have special educational needs and disabilities (SEND).

It remains the policy of the Governors that Northease should continue to be a centre of excellence for the education of neurodivergent young people.

We aim to provide an outstanding educational environment that restores and increases young peoples' self-esteem and educates the whole child, so that each young person has the tools they need to overcome the societal barriers and attitudes to their specific learning support need. The school has a clear and focused objective to become a leading school in its field. We promote the academic, moral, and physical development of our students through our academic curriculum, pastoral, and therapeutic care, sporting, and other activities.

The Governors have read the Charity Commission's guidance on public benefit, and the specific guidance for charities whose objects include education. The Governors have paid due regard to the Commission's guidance, and all who make decisions about the activities the Charity undertakes are concerned to ensure that a real educational benefit is provided to a broad range of students. The Governors consider that the achievements and performance of the charity demonstrate success in this regard.

Governors keep under review the structure of the school to ensure that we meet the required standards for the curriculum. From the start of the Academic year 2019/20 the school ceased to provide boarding, focusing resources on day students, and expanding our sixth form provision.

School Values and Position

The school has evolved to reflect those needs and aspirations that are sought after by parents, carers and students. The school is focuses on neurodivergent needs including speech, language and communication difficulties, autism spectrum condition (ASC), dyslexia and other processing, sensory and cognitive delays.

The school's aim is to 'make the difference'. We achieve this by:

- Combining specialist expertise with passion and freedom
- Delivering impactful outcomes for our students and all those who have touched their lives
- Recognising and valuing difference
- Building confidence, character, and capability to realise students' potential

Clear expectations of the school community's attitudes and behaviours are set out in our school values:

- Kindness
- Safety
- Effort
- Attendance

Key Objectives

The school has a clear vision to become the leading special educational needs provider; equipping students with the skills, attitudes, behaviours, and opportunities to flourish. We aim to achieve this by:

- Being committed to educational excellence
- Providing a personalised education through individualised solutions
- Overcoming challenges with resilience and confidence
- Supporting students academically and pastorally to achieve potential

The school's strategy is based on delivery in 6 strategic pillars:

- Nurturing our community
- Creating collaborative excellence
- Growing our people
- Strengthening our partnerships
- Driving operational simplicity
- Sustaining strong governance and financial resilience

Ethos

Northease is a charity benefiting neurodivergent children and young people who have not flourished in other settings. The school's fees are inclusive of all therapies, and it has a commitment to continue working with local authorities and parents and carers to provide an education that meets the needs of its young people.

The school celebrates students of all backgrounds and prides itself on its approach to equalities, diversity and inclusion which is embedded in the curriculum and school's culture.

The safeguarding practice in the school has been commended recently by ISI and the school continues to work with all agencies in relation to keeping children safe. The behaviour of students at Northease is good, reflecting the approach the school has in addressing behaviour based on individual need. The pastoral care allows students and staff to work in a safe environment so that students achieve academically, emotionally, and socially; many of our students have communication needs and the school is committed to instilling the life skills and preparation for adulthood required for students to contribute effectively to their communities and society in general.

Northease believes in equality of opportunity and is committed to the development of staff in line with its key objectives. At the school's core is a culture which genuinely celebrates diversity and champions inclusion. These are more than just words for us; they are the hard-and-fast principles guiding how we build our teams, cultivate leaders, and create a community that is the right fit for every person inside of it.

Curriculum

The curriculum is inclusive for all students. No students are restricted from entering any route of study and as such all have a balanced curriculum that meets their academic, social, and emotional needs. The school offers a curriculum in line with the maintained sector and in addition has subjects such as Horticulture, Duke of Edinburgh, Engineering, life courses such as 'ASDAN', PSHE as a distinct class for all students, and a full enrichment programme. We also have a 'Preparation for Adulthood' class in each year group that includes learning how to do the day-to-day tasks, including travel into the community, that many neurotypical people can take for granted. The social aspect of learning is key for our students and this preparation for independence beyond Northease is essential.

The school has integrated therapies as part of its local offer and students benefit from education staff who have been trained in practical aspects of Speech and Language Therapy and Occupational Therapy. The therapy team at Northease work with their teacher colleagues in partnership so that all students' needs are at the forefront of what the school does.

We are able to offer P.E. classes, as well as sporting enrichments to all of our students as well as Sports Studies and Sports Leadership for GCSE.

The Arts are exceptionally popular at Northease; neurodivergent children and young people can often excel in these areas. The school offers GCSE, and skills-based classes to all students and achieves excellent results. The school also runs Project Northease, an arts-based Enterprise Project solely to promote the artistic achievements of our students. The end of year art, photography and textiles show is always commended by parents, carers and visitors.

Achievements and performance

GCSE results achieved by the students are, on average, more than one grade higher than predicted across all subjects. The school accommodates for the academic needs of its students and uses standardised tests to predict grades. Student needs are not just measured through academic attainment at Northease, rather the whole needs of the child are developed through the nurturing, supportive nature of classes, therapies and pastoral care.

Inspection

The school was inspected by the Independent Schools Inspectorate (ISI) in February 2022 and March 2023. The school was found to be fully compliant in all areas on both occasions, with no action points or recommendations. A further Local Authority safeguarding inspection took place in March 2024 which also did not raise any concerns.

Community

The school is now developing links with local schools and businesses. The school development plan has a focus on engagement for students and with the community as well as centring our focus on the targets for each student in their EHCP.

Northease hosts new-parent coffee mornings, training opportunities provided by the in-house therapy team, as well as Parent Evenings, a 6th form Open House, Preparation for Exams, and an Options Evening for those who require planning preparation and an Open Morning for professionals and prospective families. Parents and carers are welcomed on site to meet with teachers, therapists and the senior leadership team whenever they need as we maintain an open-door policy. Within the wider community the school is developing links with similar schools and is conducting and hosting visits to share current practice and provide a network of support.

Financial review

The school's financial performance is linked to several factors, the most significant being student numbers. The school has successfully reversed an adverse position where student numbers had fallen to below 60. The combination of two recent ISI inspection that met all compliance requirements, and the support we have received from our principle Local Authority partners (East Sussex CC, West Sussex CC and Brighton and Hove CC) has seen student numbers increase year on year. The school started 2023/24 with 107 students with more joining 'in year'.

Historically, low student numbers and a series of unexpected significant costs, left the school running at serious deficit for a number of years. Increasing student numbers, negotiating an increased fee level with all local authorities over a three-year plan, and the improved oversight through the Finance and Estates Committee has had a significant and positive impact and provided a robust platform for the long-term sustainability of the school. The Governors approved a set of financial golden rules to ensure we have sufficient liquidity to cover our regular commitments; that we maintain active oversight of our loan portfolio and start to build reserves from 2021/22 onwards.

The year ended with a surplus of £297,827. Works and investments that were due to be carried in the summer were delayed and therefore, the planned expenditure not made, resulting in the increased unplanned surplus. Major building works that were delayed have begun in 2024 with the demolition of the temporary block at the rear of the school after failed attempts to renew the temporary planning permission. Additional classroom spaces have been created within existing buildings as a result. Additionally, stage two of the chimney restoration project has taken place. Further works to improve the provision of the school are planned such as, a carpark extension due to the growth of traffic within the school, further Chimney renovations, ongoing maintenance to our Grade II listed buildings as well as further development of our intervention classes and resources. Further spending will be need for the increase in salary costs due to NI increases and the continuing increase in minimum wage as well as a determination within the school's Governance that staff are paid at a competitive market rate.

Our financial plan is supported by a mortgage from Charity Bank; a 25-year repayment mortgage for £410,000 whilst a previous three-year fixed term interest only mortgage for £50,000 has now been repaid in accordance to the terms of the loan. These were put in place as part of our recovery plan to ensure sufficient capital was available and for the school to start to make necessary investments in the estate and equipment.

We are a registered charity which means we do not have commercial owners and any surpluses are put back into developing the school. We are Department of Education approved to accept students with local authority funding, if available, and because of our charitable status we can offer affordable fees for those who are self- funding.

Reserves policy

It is the policy of the school that its financial activities are maintained within a tight budget, which is approved by Governors. The nature of the school's activities determines that the reserves fund, property, and other net assets, are held to cover unexpected shortfalls on the Statement of Financial Activities. The Governors consider that, in the event of a significant drop in short-term funding, they will be able to continue the school's activities whilst consideration is given to ways in which additional funds may be raised. In addition, we have agreed that we will seek to build reserves each year with effect from 2021/22; to be agreed annually.

Investment policy and objectives

There are no restrictions on the school's absolute powers of investment. The policy continues to be to put any retained funds in higher deposit interest accounts.

Principal Risks and Uncertainties

The Governors review the school's current and planned future activities in the light of known and emerging risks, major risks and have the systems and procedures designed to manage them. The school is financially dependent on local authorities who have been adversely impacted financially. We plan future budgets based on possible scenarios, such as the proposed removal of business rates relief and VAT on fees in order to manage implications financially.

The economic context is rapidly changing with inflationupward movement and the continuing rise in energy pricing plus increased material and labour costs together with increases in teaching and support staff salaries, are being factored into forward planning. The rapid increase in student numbers through the last three years is giving us further confidence that our financial plan is robust, but we are not complacent.

The school has been well planned through dynamic risk assessments and business continuity planning. An increase in fees was agreed with all local authorities as well as private fee payers for 2023 – 2026. We are now receiving the second of the planned increases and negotiated a further increase with one local authority (who however only places a handful of young people).

Our plans and strategies for managing risk include maintaining effective internal controls, risk registers, a considered risk appetite, incident-reporting and monitoring systems and insurance cover where appropriate.

Plans for Future Periods

School numbers have increased more than 50% in the past 2 years and the school was at capacity in 2022. For 2024 the school aims to keep student numbers at a manageable figure around 110-115. To date we have already exceeded our budgeted student numbers. The crisis facing SEND educational and family support systems in the southeast is a significant factor in the growth of admissions, but improved relationships with our local authority partners who see Northease as value for money in delivering excellent outcomes for our students is the key factor in the maintenance of student numbers. Increased fees with the local authorities has not had an effect on placements and increased publicity has assured our reputation as the gold standard for SEND education locally.

Northease continues to offer a high-quality provision that represents good value for money for our stakeholders. Current and forecasted economic conditions had added to the school's challenges in delivering on planned outcomes, and the school governors and leadership team are working together to form a strategy to ensure the school's continued success into the future. Following a safeguarding visit from ESCC in September 2022 considerable changes were required to ensure safeguarding; these were addressed and resulted in a further inspection in February 2023 which had no further improvements required. A follow up inspection in February 2024 also had no improvement to note.

Structure, Governance and Management

The charitable company's original constitution is per the 1972 Trust Deed and registered with the Charity Commissioners under charity number 307005. The Memorandum and Articles of Association (1972) have been amended in subsequent years, the latest amendment being in 2021.

Northease Manor School Limited (the Trust) is the legal entity that owns the land, buildings, and other assets of Northease Manor School. The school operates as a charitable company limited by guarantee. The Board of Governors of Northease Manor School Limited (the Board) are the directors and trustees of the charitable company. The agenda for all meetings takes account of these separate but concurrent responsibilities.

None of the Governors have any beneficial interest in the company. All Governors are members of the company and guarantee to contribute £1 in the event of a winding up.

The Governors, who also act as Trustees and who are also the directors for the purpose of company law, and who served during the year and since the year end were:

Mrs J Toben MIoD, MCIOF (Chair)	
Mr D Carpenter (Vice Chair)	(Appointed 25 June 2024)
Mr Stuart Bridge	(Appointed 3 October 2024 and resigned 8 November 2024)
Mrs G Des Moulins	(Resigned 7 January 2025)
Ms P Field	(Appointed 25 June 2024)
Mr R Kantaria	
Mr N Stanley	(Appointed 3 October 2024)
Mrs M Stebbing	
Mr A Walker MA NPQH	(Resigned 31 August 2024)
Ms C Wickham BA Hons, MA. R.C.A.	(Resigned 31 August 2024)

Recruitment and Appointment of Governors

The Governors aim to maintain a Board with a diverse range of skills and expertise, experience, and perspective to provide effective direction and oversight. The Board consists of not fewer than five and not more than 9 Governors. The Board has absolute discretion as to the appointment of any governor. The term of office for a Governor is three years and they are eligible to serve up to a further two terms.

The Chair is responsible for the leadership of the Board and ensuring its effectiveness in all aspects of its role. The Chair facilitates both the contribution of Governors and the constructive relations between the Board and the Head and Senior Leadership Team.

The Governors handbook includes role descriptions for Governors plus the Chair and Safeguarding Governor, a conflicts of interest policy and a code of conduct for Governors, based upon the Nolan Principles (the Seven Principles of Public Life). Terms of Reference have been established for Academic and Finance and Estates Committees.

The Board may from time to time, seek nominations from parents of students attending the school. The number of Parent Governors must not exceed one third of the Board. A parent governor ceases to be a Governor on the day their child leaves the school. No parent governors were in place during the academic year 2023/24.

Organisational Structure

The Board is ultimately responsible for all aspects of the school and its future well-being. Through a Scheme of Delegation, it has delegated to the Headteacher in their role as Chief Executive, responsibility for the day-to-day operation and management of the school. The Board exercises an appropriate measure of control over this delegated responsibility by:

Education & Charitable Objects

- Approving the academic policy statement.
- Annually reviewing the child protection policy and procedures.
- Receiving data (but not the individual details) on formal parental complaints and providing a panel to hear appeals.
- Ensuring that the charitable objects of the school are met and that public benefit ensues.

Finance

- Providing written delegated financial powers to the Head of Finance.
- Approving a five-year financial forecast.
- Approving the annual revenue and capital budgets and regularly reviewing performance against these budgets at least each term.
- Approving fees to be paid by parents.
- Keeping a regular oversight of unpaid fees, debtors and bad debts.
- Approving any expenditure outside the agreed budget at the school.
- As governors of the Trust, overseeing investment & investment property matters.
- Ensuring that all matters relating to income and corporation tax, value added tax and council tax are being properly dealt with.
- Reviewing the annual report and financial statements with the auditors and then approving them.
- Receiving an annual report on all insurance cover, including that indemnifying the liabilities of the directors and officers.

Staff & Personnel Matters

- Approving the terms of and conditions of employment for all staff.
- Approving all increases and changes to the approved salary scales and setting the level of remuneration for the Headteacher and the Head of Finance.
- Receiving reports on compliance with changes in employment law.
- Monitoring the application of the staff discipline and grievance procedures.

Estate and Premises

- By way of a planned maintenance programme, ensuring buildings, plant and equipment are maintained to a high standard.
- Ensuring the school has appropriate policies and systems to comply with all building safety and health & safety legislation.
- Approval of changes to building redesign and usage and the development of new facilities

Professional Advice & Support

- Appointing all professional advisers and keeping those appointments under review.

The full Board of Governors meets at least four times a year. A skills audit of the Board was undertaken to inform the recruitment of further suitably skilled Governors.

Remuneration of Key Management

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the school remains sensitive to the broader issues of pay and employment conditions elsewhere.

Funds held as custodian trustee

There are no arrangements where the charity or Governors are acting as custodians.

Auditor

In accordance with the company's articles, a resolution proposing that TC Group be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

In approving the Governors' Report, we also approve the Directors' Report included therein, in our capacity as company directors.

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

..... Toben

Mrs J Toben MIoD, MCIOF (Chair)
Governor

Date: 26/3/25

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

The Governors, who are also the directors of Northease Manor School Limited for the purpose of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTHEASE MANOR SCHOOL LIMITED

Opinion

We have audited the financial statements of Northease Manor School Limited (the 'charitable company') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Governors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Governors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Governors' report and from the requirement to prepare a strategic report.

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;

- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;

- We considered the nature of the company's operations, the control environment and business performance, including the key drivers for management's remuneration;

- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;

- We considered the procedures and controls that the group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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

TC Group

David Martin FCA (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor
Office: Lewes

Date: 13 May 2025

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

Current financial year

	Notes	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Income and endowments from:						
Donations and legacies	**3**	-	-	5,881	5,881	325
Charitable activities	**4**	3,152,282	-	-	3,152,282	2,839,352
Fundraising projects	**5**	2,109	-	-	2,109	2,642
Investments	**6**	5,809	-	-	5,809	1,451
Other income	**7**	55,316	-	-	55,316	116,980
Total income		3,215,516	-	5,881	3,221,397	2,960,750
Expenditure on:						
Raising funds	**8**	2,328	-	-	2,328	531
Charitable activities	**9**	2,857,804	53,897	4,160	2,915,861	2,739,370
Other	**15**	5,381	-	-	5,381	-
Total expenditure		2,865,513	53,897	4,160	2,923,570	2,739,901
Net incoming resources before transfers		350,003	(53,897)	1,721	297,827	220,849
Gross transfers between funds		(259,676)	261,542	(1,866)	-	-
Net income/(expenditure) for the year/ Net movement in funds		90,327	207,645	(145)	297,827	220,849
Fund balances at 1 September 2023		271,687	1,505,979	155	1,777,821	1,556,972
Fund balances at 31 August 2024		362,014	1,713,624	10	2,075,648	1,777,821

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

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.

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

Prior financial year

	Notes	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
Income and endowments from:					
Donations and legacies	**3**	-	-	325	325
Charitable activities	**4**	2,839,352	-	-	2,839,352
Fundraising projects	**5**	2,642	-	-	2,642
Investments	**6**	1,451	-	-	1,451
Other income	**7**	116,980	-	-	116,980
Total income		2,960,425	-	325	2,960,750
Expenditure on:					
Raising funds	**8**	531	-	-	531
Charitable activities	**9**	2,685,893	52,524	953	2,739,370
Total expenditure		2,686,424	52,524	953	2,739,901
Net incoming resources before transfers		274,001	(52,524)	(628)	220,849
Gross transfers between funds		(42,087)	42,087	-	-
Net income/(expenditure) for the year/ Net movement in funds		231,914	(10,437)	(628)	220,849
Fund balances at 1 September 2022		39,773	1,516,416	783	1,556,972
Fund balances at 31 August 2023		271,687	1,505,979	155	1,777,821

NORTHEASE MANOR SCHOOL LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	**17**		1,756,408		1,557,943
Current assets					
Debtors	**18**	897,732		948,918	
Cash at bank and in hand		979,802		663,719	
		1,877,534		1,612,637	
Creditors: amounts falling due within one year	**20**	(1,182,853)		(1,008,516)	
Net current assets			694,681		604,121
Total assets less current liabilities			2,451,089		2,162,064
Creditors: amounts falling due after more than one year	**21**		(375,441)		(384,243)
Net assets			2,075,648		1,777,821
The funds of the charitable company					
Restricted income funds	**25**		10		155
Unrestricted funds - general			362,014		271,687
Unrestricted funds - designated	**24**		1,713,624		1,505,979
			2,075,648		1,777,821

The financial statements were approved by the Governors on 26/3/25

Julie Toben

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Mrs J Toben MIoD, MCIOF (Chair)
Governor

Company registration number 01078648 (England and Wales)

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024		2023	
		£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	29		593,587		(24,444)
Investing activities					
Purchase of tangible fixed assets		(275,634)		(70,389)	
Investment income received		5,809		1,451	
Net cash used in investing activities			(269,825)		(68,938)
Financing activities					
Repayment of bank loans		(7,679)		(58,912)	
Net cash used in financing activities			(7,679)		(58,912)
Net increase/(decrease) in cash and cash equivalents			316,083		(152,294)
Cash and cash equivalents at beginning of year			663,719		816,013
Cash and cash equivalents at end of year			979,802		663,719

1 Accounting policies

Charity information

Northease Manor School Limited is a private company limited by guarantee incorporated in England and Wales and a registered charity. The registered office is Newhaven Road, Rodmell, Lewes, East Sussex, BN7 3EY.

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 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

The financial statements have been prepared on a going concern basis. The Governors have prepared detailed budgets and cash flow forecasts for at least 12 months from the date of the approval of these financial statements. On the basis of these, along with a robust recovery plan and together with support from Charity bank, the Governors consider it appropriate to prepare the financial statements on a going concern basis.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Governors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charitable company 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.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company 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)**

School fees receivable are charged for services and use of the premises are accounted for in the period in which the service is provided.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.6 Tangible fixed assets

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

Capital items over £1,000 are capitalised at cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	Not depreciated
Freehold buildings	15 or 50 years straight line
Computer hardware & software	3 years straight line
Fixtures, fittings & equipment	15% straight line
Motor vehicles	25% straight line

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 Accounting policies **(Continued)**

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible 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).

1.8 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.

1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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 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.

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 charitable company's contractual obligations expire or are discharged or cancelled.

1 Accounting policies **(Continued)**

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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

1.11 Retirement benefits

The school operates a defined contributions pension scheme. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Academic staff are members of the teachers' superannuation scheme administered by the Teachers' Pension Agency. Contributions to the scheme are charges to the statement of financial activities as they fall due.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Depreciation

The charitable company exercises judgement to determine useful lives and residual values of property, plant and equipment. The assets are depreciated down to their residual values over their estimated useful lives.

3 Donations and legacies

	Restricted funds	Restricted funds
	2024	2023
	£	£
Donations and grants	5,881	325

4 Charitable activities

	School fees	Other school income	Total	School fees	Other school income	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Gross fees	3,126,668	40,212	3,166,880	2,825,141	16,521	2,841,662
Less: Bursaries and discounts	(14,598)	-	(14,598)	(2,310)	-	(2,310)
	3,112,070	40,212	3,152,282	2,822,831	16,521	2,839,352

5 Income from other trading activities

	Unrestricted funds 2024	Unrestricted funds 2023
	£	£
Fundraising events	2,109	2,642

6 Income from investments

	Unrestricted funds 2024	Unrestricted funds 2023
	£	£
Interest receivable	5,809	1,451

7 Other income

	Unrestricted funds general 2024 £	Unrestricted funds general 2023 £
Rent and letting fees	2,988	2,988
Registration fees and miscellaneous income	52,328	113,992
	55,316	116,980

8 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising and publicity		
Fundraising events	2,328	531

9 Charitable activities

	Teaching and educational costs	Welfare costs	Support and administration costs	Premises costs	Total	Total
	2024	2024	2024	2024	2024	2023
	£	£	£	£	£	£
Staff costs	1,848,912	163,916	285,550	-	2,298,378	2,110,689
Depreciation and impairment	-	10,645	7,246	53,897	71,788	68,286
Other costs	40,958	49,295	235,529	161,996	487,778	511,103
	1,889,870	223,856	528,325	215,893	2,857,944	2,690,078
Share of governance costs (see note 11)	57,917	-	-	-	57,917	49,292
	1,947,787	223,856	528,325	215,893	2,915,861	2,739,370
Analysis by fund						
Unrestricted funds - general	1,947,787	223,856	524,165	161,996	2,857,804	2,685,893
Unrestricted funds - designated	-	-	-	53,897	53,897	52,524
Restricted funds	-	-	4,160	-	4,160	953
	1,947,787	223,856	528,325	215,893	2,915,861	2,739,370

9 Charitable activities (Continued)

For the year ended 31 August 2023

	Teaching and educational costs	Welfare costs	Support and administration costs	Premises costs	Total
	2023	2023	2023	2023	2023
	£	£	£	£	£
Staff costs	1,696,583	139,699	274,407	-	2,110,689
Depreciation and impairment	-	10,644	5,118	52,524	68,286
Other costs	57,463	48,499	209,328	195,813	511,103
	1,754,046	198,842	488,853	248,337	2,690,078
Share of governance costs (see note 11)	49,292	-	-	-	49,292
	1,803,338	198,842	488,853	248,337	2,739,370
Analysis by fund					
Unrestricted funds - general	1,803,338	198,842	487,900	195,813	2,685,893
Unrestricted - designated	-	-	-	52,524	52,524
Restricted funds	-	-	953	-	953
	1,803,338	198,842	488,853	248,337	2,739,370

10 Charitable activities - other costs

Other costs relating to teaching and educational costs comprise:	2024	2023
	£	£
Educational equipment	23,280	21,418
Professional development	7,551	21,091
Specialist fees (exams)	7,265	12,279
Tuck shop expenses	2,862	2,675
	40,958	57,463

10 Charitable activities - other costs (Continued)

Other costs relating to welfare costs comprise:	2024	2023
	£	£
Catering supplies	45,140	45,318
Catering hospitality	4,155	3,181
	49,295	48,499

Other costs relating to premises costs comprise:	2024	2023
	£	£
Council tax & water	10,707	13,226
Insurance	35,797	37,248
Fuel & light	65,113	71,522
Health & safety	7,183	10,362
Buildings maintenance	23,937	32,402
Grounds maintenance	6,428	8,035
Household expenses	10,577	10,452
Swimming pool expenses	2,254	12,566
	161,996	195,813

Other costs relating to support and administration costs for schooling comprise:	2024	2023
	£	£
Stationery & printing	15,853	15,968
Postage	925	349
Telephone	9,290	9,825
Television, film & cameras	329	159
Legal & professional	8,517	3,731
Recruitment costs	2,661	2,020
Travelling & motor	4,346	3,301
Maintenance of equipment	27,317	19,409
IT development & support	59,032	70,120
Bad debts	(291)	(1,800)
Miscellaneous	12,018	9,826
Subscriptions & licences	18,183	14,936
Outsourcing	67,407	50,709
Licences	9,942	10,775
	235,529	209,328

11 Governance costs

	2024	2023
	£	£
Audit fees	12,540	11,340
Accountancy	402	2,250
Legal and professional	4,483	4,310
Bank charges	(2,469)	864
Clerking costs	10,067	1,419
Loan interest	32,894	29,109
	57,917	49,292
Analysed between		
Charitable activities	57,917	49,292

12 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	12,540	11,340
Depreciation of owned tangible fixed assets	71,788	68,286
Loss on disposal of tangible fixed assets	5,381	-

13 Governors

None of the Governors (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

14 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
	63	62

14 Employees (Continued)

Employment costs

	2024	2023
	£	£
Wages and salaries	1,885,095	1,763,486
Social security costs	146,891	139,270
Other pension costs	226,304	197,479
	2,258,290	2,100,235

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024	2023
	Number	Number
£60,000 - £70,000	-	2
£80,000 - £90,000	1	-

Remuneration of key management personnel

Key management personnel received remuneration, which includes employers NI, and employer pension contributions, as follows:

	2024	2023
	£	£
Aggregate compensation	317,476	300,087

15 Other expenditure

	Unrestricted funds 2024	Unrestricted funds 2023
	£	£
Net loss on disposal of tangible fixed assets	5,381	-

16 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

17 Tangible fixed assets

	Freehold land and buildings	Computer hardware & software	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2023	3,207,491	18,823	60,720	34,450	3,321,484
Additions	261,542	14,092	-	-	275,634
Disposals	-	-	(12,532)	-	(12,532)
At 31 August 2024	3,469,033	32,915	48,188	34,450	3,584,586
Depreciation and impairment					
At 1 September 2023	1,701,512	11,634	24,240	26,155	1,763,541
Depreciation charged in the year	53,897	6,274	7,247	4,370	71,788
Eliminated in respect of disposals	-	-	(7,151)	-	(7,151)
At 31 August 2024	1,755,409	17,908	24,336	30,525	1,828,178
Carrying amount					
At 31 August 2024	1,713,624	15,007	23,852	3,925	1,756,408
At 31 August 2023	1,505,979	7,189	36,480	8,295	1,557,943

18 Debtors

Amounts falling due within one year:	2024	2023
	£	£
Trade debtors	868,490	914,533
Prepayments and accrued income	29,242	34,385
	897,732	948,918

19 Loans and overdrafts

	2024	2023
	£	£
Bank loans	384,274	391,953
Payable within one year	8,833	7,710
Payable after one year	375,441	384,243

The bank loan is secured by fixed charges over the freehold property known as Northease Manor School together with funds held in the Debt Service Reserve Account.

The loan is repayable over a period of 25 years at an interest rate of 3.25% above the Bank of England base rate, with a break option after five years in November 2023. No capital repayments are due on the amount of the loan drawn down for 36 months following the initial draw down date.

20 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Bank loans	19	8,833	7,710
Other taxation and social security		34,642	29,883
Deferred income	22	1,027,424	914,533
Trade creditors		69,065	23,066
Other creditors		30,349	24,819
Accruals		12,540	8,505
		1,182,853	1,008,516

21 Creditors: amounts falling due after more than one year

	Notes	2024	2023
		£	£
Bank loans	19	375,441	384,243

22 Deferred income

	2024	2023
	£	£
Arising from Fees in advance	1,027,424	914,533

Deferred income is included in the financial statements as follows:

	2024	2023
	£	£
Deferred income is included within:		
Current liabilities	1,027,424	914,533
Movements in the year:		
Deferred income at 1 September 2023	914,533	1,015,797
Released from previous periods	(914,533)	(1,015,797)
Resources deferred in the year	1,027,424	914,533
Deferred income at 31 August 2024	1,027,424	914,533

Deferred income represents winter term fees for the coming school year which are billed in advance.

23 Retirement benefit schemes

Defined contribution schemes

The school operates two pension schemes for the benefit of employees. The Teachers' Pension Scheme (TPS), a defined benefit scheme, is available to all teachers. All other staff can enter a defined contributions scheme.

Defined contribution

The assets of the scheme are held separately from those of the School in an independently administered fund. Contributions to the scheme are charges to the Statement of Financial Activities as they fall due. Contributions payable by the charitable company in the year amounted to £13,971 (2023 - £12,691).

The company also operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. Contributions totalling £2,974 (2023 - £2,516) were payable to the fund at the year end and are included in creditors.

23 Retirement benefit schemes **(Continued)**

Teachers' Pension Scheme

Teachers' Pension Scheme 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.

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 ensure scheme costs are recognised and managed appropriately and the review specifies 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 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

• Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.

• Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the period amounted to £212,783 (2023 - £184,787).

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 is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the school has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The school has set out above, the information available on the scheme.

24 Unrestricted funds - designated

These are unrestricted funds which are material to the charitable company's activities.

	At 1 September 2023	Resources expended	Transfers	At 31 August 2024
	£	£	£	£
Fixed asset fund	1,505,979	(53,897)	261,542	1,713,624

Previous year:	At 1 September 2022	Resources expended	Transfers	At 31 August 2023
	£	£	£	£
Fixed asset fund	1,516,416	(52,524)	42,087	1,505,979

The Fixed Asset Fund has been established to reflect the charitable company's investment in its freehold property assets. A transfer is made each year from the general fund to reflect any additions paid by general funds and also disposals made in the year. The transfer from the general fund during 2024 totalled £261,543 (2023 - £42,087).

25 Restricted funds

The income funds of the charitable company include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
Brighton Half Marathon	-	165	(249)	84	-
London to Brighton Walk	-	2,566	-	(2,566)	-
Horticultural Area	-	2,650	(3,241)	591	-
Swimming Pool	123	-	(144)	21	-
Duke of Edinburgh	-	500	(490)	-	10
Library	32	-	(36)	4	-
	155	5,881	(4,160)	(1,866)	10

25 **Restricted funds** **(Continued)**

Previous year:	At 1 September 2022	Incoming resources	Resources expended	Transfers	At 31 August 2023
	£	£	£	£	£
Swimming Pool	251	-	(128)	-	123
Duke of Edinburgh	500	-	(500)	-	-
Library	32	-	-	-	32
Tennis coaching	-	250	(250)	-	-
Budding Foundation	-	75	(75)	-	-
	783	325	(953)	-	155

The Brighton Half Marathon was completed by Nick Kennedy to raise funds for the purchase dyslexia reading pens.

The London to Brighton walk was completed by Kaye, Millie and Daisy to raise funds for phase one of the trim trail.

The Horticultural Area fund has been set up to provide resources to help develop the horticultural area.

The Swimming Pool fund has been set up to provide equipment for the swimming pool.

The Duke of Edinburgh fund has been set up to help support the school in its purchase of resources.

The Library fund has been set up to support the purchase of books for the library.

The Tennis Coaching fund has been set up to provide tennis lessons for the students.

The Budding Foundation fund has been set up to purchase horticultural equipment.

26 Analysis of net assets between funds

	Unrestricted funds general 2024	Unrestricted funds designated 2024	Restricted funds 2024	Total 2024
	£	£	£	£
Fund balances at 31 August 2024 are represented by:				
Tangible assets	42,784	1,713,624	-	1,756,408
Current assets/(liabilities)	694,671	-	10	694,681
Long term liabilities	(375,441)	-	-	(375,441)
	362,014	1,713,624	10	2,075,648

	Unrestricted funds general 2023	Unrestricted funds designated 2023	Restricted funds 2023	Total 2023
	£	£	£	£
Fund balances at 31 August 2023 are represented by:				
Tangible assets	51,964	1,505,979	-	1,557,943
Current assets/(liabilities)	603,966	-	155	604,121
Long term liabilities	(384,243)	-	-	(384,243)
	271,687	1,505,979	155	1,777,821

27 Operating lease commitments

Lessee

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	3,076	4,102
Between two and five years	-	3,076
	3,076	7,178

28	**Capital commitments**	**2024**	**2023**
		£	**£**
	Amounts contracted for but not provided in the financial statements:		
	Acquisition of property, plant and equipment	42,934	-

29	**Cash generated from operations**	**2024**	**2023**
		£	**£**
	Surplus for the year	297,827	220,849
	Adjustments for:		
	Investment income recognised in statement of financial activities	(5,809)	(1,451)
	Loss on disposal of tangible fixed assets	5,381	-
	Depreciation and impairment of tangible fixed assets	71,788	68,286
	Movements in working capital:		
	Decrease/(increase) in debtors	51,186	(199,212)
	Increase/(decrease) in creditors	60,323	(11,652)
	Increase/(decrease) in deferred income	112,891	(101,264)
	Cash generated from/(absorbed by) operations	593,587	(24,444)

30 Analysis of changes in net funds

	At 1 September 2023	**Cash flows**	**At 31 August 2024**
	£	**£**	**£**
Cash at bank and in hand	663,719	316,083	979,802
Loans falling due within one year	(7,710)	(1,123)	(8,833)
Loans falling due after more than one year	(384,243)	8,802	(375,441)
	271,766	323,762	595,528

NORTHEASE MANOR SCHOOL LTD

England & Wales - Charity number 307005

Accounts

Charity registration number 307005

Company registration number 01078648 (England and Wales)

NORTHEASE MANOR SCHOOL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

NORTHEASE MANOR SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	Mrs J Toben MIoD, MCIOF (Chair) Mrs G Des Moulins Ms C Wickham BA Hons, MA. R.C.A. Mr A Walker MA NPQH Mrs M Stebbing Mr R Kantaria (Appointed 11 July 2023)
Headteacher	Mrs C Stamos
Charity number	307005
Company number	01078648
Registered office	Newhaven Road Rodmell Lewes East Sussex BN7 3EY
Auditor	Knill James LLP One Bell Lane Lewes East Sussex BN7 1JU
Bankers	Lloyds Bank plc 8 High Street Lewes East Sussex BN7 2AD Charity Bank Limited Fosse House 182 High Street Tonbridge Kent TN9 1BE
Solicitors	Sherrards Employment Law Solicitors 4 Albourne Court Henfield Road Albourne West Sussex BN6 9FF

NORTHEASE MANOR SCHOOL LIMITED

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NORTHEASE MANOR SCHOOL LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

The Governors present their annual report and financial statements for the year ended 31 August 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The objects are set out in the Memorandum of Association as being the promotion and provision of facilities for the advancement of education. Northease Manor School (Northease) is for students aged between 10 and 18 who have special educational needs and disabilities (SEND).

It remains the policy of the Governors that Northease should continue to be a centre of excellence for the education of neurodiverse students.

We aim to provide an outstanding educational environment that restores and increases young peoples' self-esteem and educates the whole child, so that each student has the tools they need to overcome the societal barriers and attitudes to their specific learning support need. The school has a clear and focused objective to become a leading school in its field. We promote the academic, moral, and physical development of our students through our academic curriculum, pastoral care, sporting, and other activities.

The Governors have read the Charity Commission's guidance on public benefit, and the specific guidance for charities whose objects include education. The Governors have paid due regard to the Commission's guidance, and all who make decisions about the activities the Charity undertakes are concerned to ensure that a real educational benefit is provided to a broad range of students. The Governors consider that the achievements and performance of the charity demonstrate success in this regard.

Governors keep under review the structure of the school to ensure that we meet the required standards for the curriculum. From the start of the Academic year 2019/20 the school ceased to provide Boarding, focusing resources on day students, and expanding our sixth form provision.

School values and position

The school has evolved to reflect those needs and aspirations that are sought after by parents, carers and students. The school is focuses on neurodiverse needs including speech, language and communication difficulties, autism spectrum condition (ASC), dyslexia and other processing, sensory and cognitive delays.

The school's aim is to 'Make the difference'. We achieve this by:

- Combining specialist expertise with passion and freedom
- Delivering impactful outcomes for our students and all those who have touched their lives
- Recognising and valuing difference
- Building confidence, character, and capability to realise students' potential

Clear expectations of the school community's attitudes and behaviours are set out in our school values:

- Kindness
- Safety
- Effort
- Attendance

Key Objectives
The school has a clear vision to become the leading special educational needs provider; equipping students with the skills, attitudes, behaviours, and opportunities to flourish. We aim to achieve this by:

- Being committed to educational excellence
- Providing a personalised education through individualised solutions
- Overcoming challenges with resilience and confidence
- Supporting students academically and pastorally to achieve potential

The school's strategy is based on delivery in 6 strategic pillars:

- Nurturing our community
- Creating collaborative excellence
- Growing our people
- Strengthening our partnerships
- Driving operational simplicity
- Sustaining strong governance and financial resilience

Ethos
Northease is a charity benefiting neurodiverse children and young people who have not flourished in other settings. The school's fees are inclusive of all therapies, and it has a commitment to continue working with local authorities and parents and carers to provide an education that meets the needs of its young people.

The school celebrates students of all backgrounds and prides itself on its approach to equalities, diversity and inclusion which is embedded in the curriculum and school's culture.

The safeguarding practice in the school has been commended recently by ISI and the school continues to work with all agencies in relation to keeping children safe. The behaviour of students at Northease is good, reflecting the approach the school has in addressing behaviour based on individual need. The pastoral care allows students and staff to work in a safe environment so that students achieve academically, emotionally, and socially; many of our students have communication needs and the school is committed to instilling the life skills and preparation for adulthood required for students to contribute effectively to their communities and society in general.

Northease believes in equality of opportunity and is committed to the development of staff in line with its key objectives. At the school's core is a culture which genuinely celebrates diversity and champions inclusion. These are more than just words for us; they are the hard-and-fast principles guiding how we build our teams, cultivate leaders, and create a community that is the right fit for every person inside of it.

Curriculum

The curriculum is inclusive for all students. No students are restricted from entering any route of study and as such all have a balanced curriculum that meets their academic, social, and emotional needs. The school offers a curriculum in line with the maintained sector and in addition has subjects such as Horticulture, Duke of Edinburgh, Engineering, life courses such as 'ASDAN', PSHE as a distinct class for all students, and a full enrichment programme. We also have a 'Preparation for Adulthood' class in each year group that includes learning how to do the day-to-day tasks, including travel into the community, that many neurotypical people can take for granted. The social aspect of learning is key for our students and this preparation for independence beyond Northease is essential.

The school has integrated therapies as part of its local offer and students benefit from education staff who have been trained in practical aspects of Speech and Language Therapy and Occupational Therapy. The therapy team at Northease work with their teacher colleagues in partnership so that all students' needs are at the forefront of what the school does.

We are able to offer P.E. classes, as well as sporting enrichments to all of our students as well as Sports Studies for GCSE.

The Arts are exceptionally popular at Northease; neurodiverse children and young people can often excel in these areas. The school offers GCSE, and skills-based classes to all students and achieves excellent results. The school also runs Project Northease, an arts based Enterprise Project solely to promote the artistic achievements of our students. The end of year art, photography and textiles show is always commended by parents, carers and visitors.

Achievements and performance

GCSE results achieved by the students are, on average, more than one grade higher than predicted across all subjects. The school accommodates for the academic needs of its students and uses standardised tests to predict grades. Student needs are not just measured through academic attainment at Northease, rather the whole needs of the child are developed through the nurturing, supportive nature of classes, therapies and pastoral care.

Inspection

The school was inspected by the Independent Schools Inspectorate (ISI) in February 2022 and March 2023. The school was found to be fully compliant in all areas on both occasions, with no action points or recommendations. A further Local Authority safeguarding inspection took place in February 2023 which also did not raise any concerns.

Covid 19

The school's response to the Covid 19 crisis was well planned and responsive. Education and therapies remained at the forefront throughout the crisis, with effective programmes for home education and support. Parents and carers were effusive in their praise for the quality of the school's support during the pandemic. Instances of Covid amongst staff during 2022/23 still resulted in high levels of absence periodically, however the school still follows the Covid absence policy in force post pandemic due to the high level of medical need of some students.

Community

The school is now developing links with local schools and businesses. The school development plan has a focus on engagement for students and with the community.

Northease hosts new-parent coffee mornings, training opportunities provided by the in-house therapy team, as well as Parent Evenings, a 6th form Open House, Preparation for Exams, and an Options Evening for those who require planning preparation. Parents are welcomed on site to meet with teachers, therapists and the senior leadership team whenever they wish as we maintain an open-door policy. Within the wider community the school is developing links with similar schools and is conducting and hosting visits to share current practice and provide a network of support.

Financial review

The school's financial performance is linked to several factors, the most significant being student numbers. The school has successfully reversed an adverse position where student numbers had fallen to below 60. The combination of two recent ISI inspection that met all compliance requirements, and the support we have received from our principle Local Authority partners (East Sussex CC, West Sussex CC and Brighton and Hove CC) has seen student numbers increase year on year. The school started 2022/23 with 107 students with more joining 'in year'.

Historically, low student numbers and a series of unexpected significant costs, left the school running at serious deficit for a number of years. Increasing student numbers and the improved oversight through the Finance and Estates Committee has had a significant and positive impact and provided a robust platform for the long-term sustainability of the school. The Governors approved a set of financial golden rules to ensure we have sufficient liquidity to cover our regular commitments; that we maintain active oversight of our loan portfolio and start to build reserves from 2021/22 onwards. Works and investments that were due to be carried in the summer of 2023 were delayed and therefore, the planned expenditure not made, resulting in the increased unplanned surplus. This will be rectified in the 2023/24 academic year as major building works that were delayed are now scheduled.

Our financial plan is supported by a mortgage from Charity Bank; a 25-year repayment mortgage for £410,000 whilst a previous three-year fixed term interest only mortgage for £50,000 has now been repaid in accordance to the terms of the loan. These were put in place as part of our recovery plan to ensure sufficient capital was available and for the school to start to make necessary investments in the estate and equipment.

We are a registered charity which means we do not have commercial owners and any surpluses are put back into developing the school. We are Department of Education approved to accept students with local authority funding, if available, and because of our charitable status we can offer affordable fees for those who are self- funding.

Reserves policy

It is the policy of the school that its financial activities are maintained within a tight budget, which is approved by Governors. The nature of the school's activities determines that the reserves fund, property, and other net assets, are held to cover unexpected shortfalls on the Statement of Financial Activities. The Governors consider that, in the event of a significant drop in short-term funding, they will be able to continue the school's activities whilst consideration is given to ways in which additional funds may be raised. In addition, we have agreed that we will seek to build reserves each year with effect from 2021/22; to be agreed annually.

Investment policy and objectives

There are no restrictions on the school's absolute powers of investment. The policy continues to be to put any retained funds in higher deposit interest accounts.

Principal Risks and Uncertainties

The Governors review the school's current and planned future activities in the light of known and emerging risks, major risks and have the systems and procedures designed to manage them. The largely unforeseen Covid 19 pandemic has had wide-ranging impact upon the economy and society. The school has a dependency on an ecosystem that includes HM Government and local authorities who have both been adversely impacted; it is hard to yet determine what this means in the short/medium term, but we have run scenarios to understand how we would manage income reduction.

The economic context is rapidly changing with inflation and interest rate experiencing upward movement month on month; this combined with surging energy pricing; shortages in the supply of materials and labour (and associated cost increases) as well as expected increases in teaching and support staff salaries are being factored into forward planning. The rapid increase in student numbers through the last three years is giving us further confidence that our financial plan is robust, but we are not complacent.

As well as economic uncertainty, there remains health uncertainty nationally as it is difficult to predict the future and the financial impact of the pandemic, Brexit and a recession. The school has been well planned through dynamic risk assessments and business continuity planning. An increase in fees was agreed with all local authorities as well as private fee payers for 2023/24. Three local authorities also agreed a further increase for 2024/25 with agreement the fee remain stable for 2025/26.

Our plans and strategies for managing risk include maintaining effective internal controls, risk registers, a considered risk appetite, incident-reporting and monitoring systems and insurance cover where appropriate.

Plans for future periods

School numbers have increased more than 50% in the past 2 years and the school was at capacity in 2022. For 2023 the school aims to keep student numbers at a manageable figure around 110. The crisis facing educational and family support systems in the southeast is a significant factor in the growth of admissions, but improved relationships with our local authority partners who see Northease as value for money in delivering excellent outcomes for our students is the key factor in the maintenance of student numbers. Increased fees with the local authorities has not had an effect on placements.

In 2023-24 Northease continues to offer a high-quality provision that represents good value for money for our stakeholders. Current and forecasted economic conditions had added to the school's challenges in delivering on planned outcomes, and the school governors and leadership team are working together to form a strategy to ensure the school's continued success into the future. Following a safeguarding visit from ESCC in September 2022 considerable changes were required to ensure safeguarding; these were addressed and resulted in a further inspection in February 2023 which had no further improvements required. This resulted in expenditure which will need to be incorporated into fees for the future.

Structure, governance and management

The charitable company's original constitution is per the 1972 Trust Deed and registered with the Charity Commissioners under charity number 307005. The Memorandum and Articles of Association (1972) have been amended in subsequent years, the latest amendment being in 2020.

Northease Manor School Limited (the Trust) is the legal entity that owns the land, buildings, and other assets of Northease Manor School. The school operates as a charitable company limited by guarantee. The Board of Governors of Northease Manor School Limited (the Board) are the directors and trustees of the charitable company. The agenda for all meetings takes account of these separate but concurrent responsibilities.

None of the Governors have any beneficial interest in the company. All Governors are members of the company and guarantee to contribute £1 in the event of a winding up.

The Governors, who also act as Trustees and who are also the directors for the purpose of company law, and who served during the year and since the year end were:

Mrs J Toben MIoD, MCIOF (Chair)	
Mrs G Des Moulins	
Ms C Wickham BA Hons, MA. R.C.A.	
Mr A Walker MA NPQH	
Mrs P Ford BA Hons, FCIH	(Resigned 30 September 2022)
Mrs M Stebbing	
Mr R Kantaria	(Appointed 11 July 2023)

Recruitment and appointment of Governors
The Governors aim to maintain a Board with a diverse range of skills and expertise, experience, and perspective to provide effective direction and oversight. The Board consists of not fewer than five and not more than 9 Governors. The Board has absolute discretion as to the appointment of any governor. The term of office for a Governor is three years and they are eligible to serve up to a further two terms.

The Chair is responsible for the leadership of the Board and ensuring its effectiveness in all aspects of its role. The Chair facilitates both the contribution of Governors and the constructive relations between the Board and the Head and Senior Leadership Team.

The Governors handbook includes role descriptions for Governors plus the Chair and Safeguarding Governor, a conflicts of interest policy and a code of conduct for Governors, based upon the Nolan Principles (the Seven Principles of Public Life). Terms of Reference have been established for Academic and Finance and Estates Committees.

The Board may from time to time, seek nominations from parents of students attending the school. The number of Parent Governors must not exceed one third of the Board. A parent governor ceases to be a Governor on the day his or her child leaves the school. No parent governors were in place during the academic year 2022/23.

Organisational structure
The Board is ultimately responsible for all aspects of the school and its future well-being. Through a Scheme of Delegation, it has delegated to the Headteacher in their role as Chief Executive, responsibility for the day-to-day operation and management of the school. The Board exercises an appropriate measure of control over this delegated responsibility by:

Education & Charitable Objects
- Approving the academic policy statement.
- Annually reviewing the child protection policy and procedures.
- Receiving data (but not the individual details) on formal parental complaints and providing a panel to hear appeals.
- Ensuring that the charitable objects of the school are met and that public benefit ensues.

Finance
- Providing written delegated financial powers to the Head of Finance.
- Approving a five-year financial forecast.
- Approving the annual revenue and capital budgets and regularly reviewing performance against these budgets at least each term.
- Approving fees to be paid by parents.
- Keeping a regular oversight of unpaid fees, debtors and bad debts.
- Approving any expenditure outside the agreed budget at the school.
- As governors of the Trust, overseeing investment & investment property matters.
- Ensuring that all matters relating to income and corporation tax, value added tax and council tax are being properly dealt with.
- Reviewing the annual report and financial statements with the auditors and then approving them.
- Receiving an annual report on all insurance cover, including that indemnifying the liabilities of the directors and officers.

Staff & Personnel Matters
- Approving the terms of and conditions of employment for all staff.
- Approving all increases and changes to the approved salary scales and setting the level of remuneration for the Headteacher and the Head of Finance.
- Receiving reports on compliance with changes in employment law.
- Monitoring the application of the staff discipline and grievance procedures.

Estate and Premises
- By way of a planned maintenance programme, ensuring buildings, plant and equipment are maintained to a high standard.
- Ensuring the school has appropriate policies and systems to comply with all building safety and health & safety legislation.
- Approval of changes to building redesign and usage and the development of new facilities

Professional Advice & Support
- Appointing all professional advisers and keeping those appointments under review.

The full Board of Governors meets at least four times a year. A further skills audit of the Board is due to be undertaken to inform the recruitment of further suitably skilled Governors.

Remuneration of key management
The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the school remains sensitive to the broader issues of pay and employment conditions elsewhere.

Funds held as custodian trustee
There are no arrangements where the charity or Governors are acting as custodians.

Auditor

In accordance with the company's articles, a resolution proposing that Knill James LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

In approving the Governors' Report, we also approve the Directors' Report included therein, in our capacity as company directors.

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

Mrs J Toben MIoD, MCIOF (Chair)
Chair

Date: 27th March 2024

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The Governors, who are also the directors of Northease Manor School Limited for the purpose of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

NORTHEASE MANOR SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTHEASE MANOR SCHOOL LIMITED

Opinion

We have audited the financial statements of Northease Manor School Limited (the 'charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTHEASE MANOR SCHOOL LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Governors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Governors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Governors' report and from the requirement to prepare a strategic report.

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

In identifying and assessing the risk of material misstatement in respect of irregularities, including fraud, we:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company complies with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements, including the Trustees' report, remaining alert to new or unusual transactions which may not be in accordance with the governing document.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

We identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included, but were not limited to, testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

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

Use of our report

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

Knill James LLP

David Martin FCA (Senior Statutory Auditor)
for and on behalf of Knill James LLP

3 May 2024

Chartered Accountants
Statutory Auditor

One Bell Lane
Lewes
East Sussex
BN7 1JU

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

Current financial year

	Notes	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Income and endowments from:						
Donations and legacies	**3**	-	-	325	325	7,405
Charitable activities	**4**	2,839,352	-	-	2,839,352	2,605,256
Fundraising projects	**5**	2,642	-	-	2,642	1,300
Investments	**6**	1,451	-	-	1,451	47
Other income	**7**	116,980	-	-	116,980	89,645
Total income		2,960,425	-	325	2,960,750	2,703,653
Expenditure on:						
Raising funds	**8**	531	-	-	531	1,413
Charitable activities	**9**	2,685,893	52,524	953	2,739,370	2,511,345
Total expenditure		2,686,424	52,524	953	2,739,901	2,512,758
Net incoming/(outgoing) resources before transfers		274,001	(52,524)	(628)	220,849	190,895
Gross transfers between funds		(42,087)	42,087	-	-	-
Net income/(expenditure) for the year/ Net movement in funds		231,914	(10,437)	(628)	220,849	190,895
Fund balances at 1 September 2022		39,773	1,516,416	783	1,556,972	1,366,077
Fund balances at 31 August 2023		271,687	1,505,979	155	1,777,821	1,556,972

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

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.

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

Prior financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
Income and endowments from:					
Donations and legacies	3	-	-	7,405	7,405
Charitable activities	4	2,605,256	-	-	2,605,256
Fundraising projects	5	1,300	-	-	1,300
Investments	6	47	-	-	47
Other income	7	89,645	-	-	89,645
Total income		2,696,248	-	7,405	2,703,653
Expenditure on:					
Raising funds	8	1,413	-	-	1,413
Charitable activities	9	2,453,648	50,396	7,301	2,511,345
Total expenditure		2,455,061	50,396	7,301	2,512,758
Net incoming/(outgoing) resources before transfers		241,187	(50,396)	104	190,895
Gross transfers between funds		(83,456)	88,896	(5,440)	-
Net income/(expenditure) for the year/ Net movement in funds		157,731	38,500	(5,336)	190,895
Fund balances at 1 September 2021		(117,958)	1,477,916	6,119	1,366,077
Fund balances at 31 August 2022		39,773	1,516,416	783	1,556,972

NORTHEASE MANOR SCHOOL LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	16		1,557,943		1,555,840
Current assets					
Debtors	17	948,918		749,705	
Cash at bank and in hand		663,719		816,013	
		1,612,637		1,565,718	
Creditors: amounts falling due within one year	19	(1,008,516)		(1,163,721)	
Net current assets			604,121		401,997
Total assets less current liabilities			2,162,064		1,957,837
Creditors: amounts falling due after more than one year	20		(384,243)		(400,865)
Net assets			1,777,821		1,556,972
Income funds					
Restricted funds	24		155		783
Unrestricted funds - designated	23		1,505,979		1,516,416
Unrestricted funds - general			271,687		39,773
			1,777,821		1,556,972

The financial statements were approved by the Governors on 27th March 2024

Mrs J Toben MIoD, MCIOF (Chair)
Trustee

Company registration number 01078648

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	27		(24,444)		533,490
Investing activities					
Purchase of tangible fixed assets		(70,389)		(97,644)	
Proceeds from disposal of tangible fixed assets		-		(3,450)	
Investment income received		1,451		47	
Net cash used in investing activities			(68,938)		(101,047)
Financing activities					
Repayment of bank loans		(58,912)		(9,135)	
Net cash used in financing activities			(58,912)		(9,135)
Net (decrease)/increase in cash and cash equivalents			(152,294)		423,308
Cash and cash equivalents at beginning of year			816,013		392,705
Cash and cash equivalents at end of year			663,719		816,013

1 Accounting policies

Charity information

Northease Manor School Limited is a private company limited by guarantee incorporated in England and Wales and a registered charity. The registered office is Newhaven Road, Rodmell, Lewes, East Sussex, BN7 3EY.

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 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

The financial statements have been prepared on a going concern basis. The Governors have prepared detailed budgets and cash flow forecasts for at least 12 months from the date of the approval of these financial statements. On the basis of these, along with a robust recovery plan and together with support from Charity bank, the Governors consider it appropriate to prepare the financial statements on a going concern basis.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Governors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charitable company 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.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company 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.

School fees receivable are charged for services and use of the premises are accounted for in the period in which the service is provided.

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.6 Tangible fixed assets

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

Capital items over £1,000 are capitalised at cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	Not depreciated
Freehold buildings	15 or 50 years straight line
Computer hardware & software	3 years straight line
Fixtures, fittings & equipment	15% straight line
Motor vehicles	25% straight line

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.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible 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).

1.8 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)**

1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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 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.

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 charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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

1.11 Retirement benefits

The school operates a defined contributions pension scheme. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Academic staff are members of the teachers' superannuation scheme administered by the Teachers' Pension Agency. Contributions to the scheme are charges to the statement of financial activities as they fall due.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Depreciation
The charitable company exercises judgement to determine useful lives and residual values of property, plant and equipment. The assets are depreciated down to their residual values over their estimated useful lives.

3 Donations and legacies

	Restricted funds	Restricted funds
	2023	2022
	£	£
Donations and grants	325	7,405

4 Charitable activities

	School fees	**Other school income**	**Total**	**School fees**	**Other school income**	**Total**
	2023	**2023**	**2023**	**2022**	**2022**	**2022**
	£	**£**	**£**	**£**	**£**	**£**
Gross fees	2,825,141	16,521	2,841,662	2,585,472	22,094	2,607,566
Less: Bursaries and discounts	(2,310)	-	(2,310)	(2,310)	-	(2,310)
	2,822,831	16,521	2,839,352	2,583,162	22,094	2,605,256

5 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fundraising events	2,642	1,300

6 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	1,451	47

7 Other income

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Net (loss)/gain on disposal of tangible fixed assets	-	(3,450)
Rent and letting fees	2,988	2,988
Registration fees and miscellaneous income	113,992	90,107
	116,980	89,645

8 Raising funds

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Fundraising and publicity		
Staging fundraising events	531	1,413
	531	1,413

9 Charitable activities

	Teaching and educational costs	Welfare costs	Support and administration costs	Premises costs	Total	Total
	2023	2023	2023	2023	2023	2022
	£	£	£	£	£	£
Staff costs	1,696,583	139,699	274,407	-	2,110,689	1,888,214
Depreciation and impairment	-	10,644	5,118	52,524	68,286	63,004
Other costs	57,463	48,499	209,328	195,813	511,103	525,710
	1,754,046	198,842	488,853	248,337	2,690,078	2,476,928
Share of governance costs (see note 11)	49,292	-	-	-	49,292	34,417
	1,803,338	198,842	488,853	248,337	2,739,370	2,511,345
Analysis by fund						
Unrestricted funds - general	1,803,338	198,842	487,900	195,813	2,685,893	2,453,648
Unrestricted funds - designated	-	-	-	52,524	52,524	50,396
Restricted funds	-	-	953	-	953	7,301
	1,803,338	198,842	488,853	248,337	2,739,370	2,511,345

9 Charitable activities (Continued)

For the year ended 31 August 2022

	Teaching and educational costs	Welfare costs	Support and administration costs	Premises costs	Total
	2022	2022	2022	2022	2022
	£	£	£	£	£
Staff costs	1,515,586	112,642	259,986	-	1,888,214
Depreciation and impairment	-	9,753	2,855	50,396	63,004
Other costs	47,028	42,643	246,731	189,308	525,710
	1,562,614	165,038	509,572	239,704	2,476,928
Share of governance costs (see note 11)	34,417	-	-	-	34,417
	1,597,031	165,038	509,572	239,704	2,511,345
Analysis by fund					
Unrestricted funds - general	1,597,031	165,038	502,271	189,308	2,453,648
Unrestricted - designated	-	-	-	50,396	50,396
Restricted funds	-	-	7,301	-	7,301
	1,597,031	165,038	509,572	239,704	2,511,345

10 Charitable activities - other costs

Other costs relating to teaching and educational costs comprise:	2023	2022
	£	£
Educational equipment	21,418	30,265
Professional development	21,091	5,530
Specialist fees (exams)	12,279	9,216
Tuck shop expenses	2,675	2,017
	57,463	47,028

10 Charitable activities - other costs **(Continued)**

Other costs relating to welfare costs comprise:	**2023**	**2022**
	£	**£**
Catering supplies	45,318	42,593
Catering hospitality	3,181	50
	48,499	42,643

Other costs relating to premises costs comprise:	**2023**	**2022**
	£	**£**
Council tax & water	13,226	8,268
Insurance	37,248	30,821
Fuel & light	71,522	56,887
Health & safety	10,362	6,185
Buildings maintenance	32,402	55,944
Grounds maintenance	8,035	4,277
Household expenses	10,452	26,632
Swimming pool expenses	12,566	294
	195,813	189,308

Other costs relating to support and administration costs for schooling comprise:	**2023**	**2022**
	£	**£**
Stationery & printing	15,968	14,618
Postage	349	302
Telephone	9,825	20,243
Television, film & cameras	159	159
Legal & professional	3,731	16,169
Recruitment costs	2,020	7,378
Travelling & motor	3,301	5,074
Marketing & promotion	-	1,039
Maintenance of equipment	19,409	27,933
IT development & support	70,120	64,795
Bad debts	(1,800)	(2,950)
Miscellaneous	9,826	3,098
Subscriptions & licences	14,936	15,991
Outsourcing	50,709	64,693
Licences	10,775	8,189
	209,328	246,731

11 Governance costs

	2023	2022
	£	£
Audit fees	11,340	10,380
Accountancy	2,250	210
Legal and professional	4,310	3,904
Bank charges	864	1,041
Clerking costs	1,419	1,543
Loan interest	29,109	17,339
	49,292	34,417
Analysed between		
Charitable activities	49,292	34,417

12 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2023	2022
	£	£
For audit services		
Audit of the financial statements of the charity	11,340	10,380

13 Governors

None of the Governors (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

14 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
	62	56

Employment costs	2023	2022
	£	£
Wages and salaries	1,763,486	1,556,605
Social security costs	139,270	129,018
Other pension costs	197,479	202,591
	2,100,235	1,888,214

14 Employees (Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,000 - £70,000	1	1
£70,000 - £80,000	1	1

Remuneration of key management personnel

Key management personnel received remuneration, which includes employers NI, and employer pension contributions, as follows:

	2023 £	2022 £
Aggregate compensation	300,087	334,760

15 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

16 Tangible fixed assets

	Freehold land	Computer hardware & software	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2022	3,165,404	18,823	32,418	34,450	3,251,095
Additions	42,087	-	28,302	-	70,389
At 31 August 2023	3,207,491	18,823	60,720	34,450	3,321,484
Depreciation and impairment					
At 1 September 2022	1,648,988	5,360	19,122	21,785	1,695,255
Depreciation charged in the year	52,524	6,274	5,118	4,370	68,286
At 31 August 2023	1,701,512	11,634	24,240	26,155	1,763,541
Carrying amount					
At 31 August 2023	1,505,979	7,189	36,480	8,295	1,557,943
At 31 August 2022	1,516,416	13,463	13,296	12,665	1,555,840

17 Debtors

Amounts falling due within one year:	2023 £	2022 £
Trade debtors	914,533	705,210
Prepayments and accrued income	34,385	44,495
	948,918	749,705

18 Loans and overdrafts

	2023 £	2022 £
Bank loans	391,953	450,865
Payable within one year	7,710	50,000
Payable after one year	384,243	400,865

The bank loans are secured by fixed charges over the freehold property known as Northease Manor School together with funds held in the Debt Service Reserve Account.

Loan 1 is repayable over a period of 25 years at an interest rate of 3.25% above the Bank of England base rate, with a break option after five years in November 2023. No capital repayments are due on the amount of the loan drawn down for 36 months following the initial draw down date.

19 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans	18	7,710	50,000
Other taxation and social security		29,883	32,232
Deferred income	21	914,533	1,015,797
Trade creditors		23,066	27,955
Other creditors		24,819	27,357
Accruals and deferred income		8,505	10,380
		1,008,516	1,163,721

20 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	18	384,243	400,865

21 Deferred income

	2023	2022
	£	£
Arising from Fees in advance	914,533	1,015,797

Deferred income is included in the financial statements as follows:

	2023	2022
	£	£
Deferred income is included within:		
Current liabilities	914,533	1,015,797
Movements in the year:		
Deferred income at 1 September 2022	1,015,797	911,107
Released from previous periods	(1,015,797)	(911,107)
Resources deferred in the year	914,533	1,015,797
Deferred income at 31 August 2023	914,533	1,015,797

Deferred income represents winter term fees for the coming school year which are billed in advance.

22 Retirement benefit schemes

Defined contribution schemes

The school operates two pension schemes for the benefit of employees. The Teachers' Pension Scheme (TPS), a defined benefit scheme, is available to all teachers. All other staff can enter a defined contributions scheme.

Defined contribution

The assets of the scheme are held separately from those of the School in an independently administered fund. Contributions to the scheme are charges to the Statement of Financial Activities as they fall due. Contributions payable by the charitable company in the year amounted to £12,691 (2022 - £9,807).

The company also operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. Contributions totalling £2,516 (2022 - £2,108 were payable to the fund at the year end and are included in creditors.

22 Retirement benefit schemes **(Continued)**

Teachers' Pension Scheme

Introduction
The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in schools and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years 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. 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 actuarial valuation of the TPS that was available during the period was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. 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

- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations

- 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 is 4.45%.

The employer's pension costs paid to TPS in the period amounted to £184,787 (2022 - £192,783).

Post year end the latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

A copy of the latest valuation report and supporting documentation can be found on the Teachers' Pensions website (https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx)

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

23 Unrestricted funds - designated

These are unrestricted funds which are material to the charitable company's activities.

	At 1 September 2022	Resources expended	Transfers	At 31 August 2023
	£	£	£	£
Fixed asset fund	1,516,416	(52,524)	42,087	1,505,979

Previous year:	At 1 September 2021	Resources expended	Transfers	At 31 August 2022
	£	£	£	£
	1,477,916	(50,396)	88,896	1,516,416

The Fixed Asset Fund has been established to reflect the charitable company's investment in its freehold property assets. A transfer is made each year from the general fund to reflect any additions paid by general funds and also disposals made in the year. The transfer to the general fund during 2023 totalled £42,087 (2022 - £88,896).

24 Restricted funds

The income funds of the charitable company include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 September 2021	Incoming resources	Resources expended	Transfers	Balance at 1 September 2022	Incoming resources	Resources expended	Balance at 31 August 2023
	£	£	£	£	£	£	£	£
David Wood Pianola Fund	5,868	-	(5,868)	-	-	-	-	-
Swimming Pool	251	-	-	-	251	-	(128)	123
School Outdoor Equipment	-	1,873	(1,881)	8	-	-	-	-
Big Bang	-	500	(500)	-	-	-	-	-
Duke of Edinburgh	-	500	-	-	500	-	(500)	-
Screwfix Foundation	-	4,500	(4,920)	420	-	-	-	-
Library	-	32	-	-	32	-	-	32
Tennis coaching	-	-	-	-	-	250	(250)	-
Budding Foundation	-	-	-	-	-	75	(75)	-
	6,119	7,405	(13,169)	428	783	325	(953)	155

24 Restricted funds **(Continued)**

The David Wood Pianola Fund relates to donations received from Mr David Wood OBE towards the cost of the restoration and delivery of a vintage pianola by David Dibley. Part-payment for David Dibley's services was made in the year to 31 August 2018 and is included in fixed assets.

The Swimming Pool fund has been set up to provide equipment for the swimming pool.

The School Outdoor Equipment fund has been set up to provide funding for the school which is raised through a fundraising campaign led by a member of staff and others who undertake a variety of physical challenges.

The Big Bang Fund has been set up due to amounts received from entering a competition which was then used on an exploration and experimentation garden.

The Duke of Edinburgh fund has been set up to help support the school in its purchase of resources.

The Screwfix Foundation Fund has been set up to upgrade parts of the school plumbing system.

The Library fund has been set up to support the purchase of books for the library.

The Tennis Coaching fund has been set up to provide tennis lessons for the students.

The Budding Foundation fund has been set up to purchase horticultural equipment.

25 Analysis of net assets between funds

	Unrestricted funds general 2023	Unrestricted funds designated 2023	Restricted funds 2023	Total 2023
	£	£	£	£
Fund balances at 31 August 2023 are represented by:				
Tangible assets	51,964	1,505,979	-	1,557,943
Current assets/(liabilities)	603,966	-	155	604,121
Long term liabilities	(384,243)	-	-	(384,243)
	271,687	1,505,979	155	1,777,821

	Unrestricted funds general 2022	Unrestricted funds designated 2022	Restricted funds 2022	Total 2022
	£	£	£	£
Fund balances at 31 August 2022 are represented by:				
Tangible assets	39,424	1,516,416	-	1,555,840
Current assets/(liabilities)	401,214	-	783	401,997
Long term liabilities	(400,865)	-	-	(400,865)
	39,773	1,516,416	783	1,556,972

26 Operating lease commitments

Lessee

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	4,102	4,102
Between two and five years	3,076	7,178
	7,178	11,280

27 Cash generated from operations

	2023	2022
	£	£
Surplus for the year	220,849	190,895
Adjustments for:		
Investment income recognised in statement of financial activities	(1,451)	(47)
(Gain)/loss on disposal of tangible fixed assets	-	3,450
Depreciation and impairment of tangible fixed assets	68,286	63,004
Movements in working capital:		
(Increase)/decrease in debtors	(199,213)	206,055
(Decrease) in creditors	(11,651)	(34,557)
(Decrease)/increase in deferred income	(101,264)	104,690
Cash (absorbed by)/generated from operations	(24,444)	533,490

28 Analysis of changes in net funds

	At 1 September 2022	Cash flows	At 31 August 2023
	£	£	£
Cash at bank and in hand	816,013	(152,294)	663,719
Loans falling due within one year	(50,000)	42,290	(7,710)
Loans falling due after more than one year	(400,865)	16,622	(384,243)
	365,148	(93,382)	271,766

NORTHEASE MANOR SCHOOL LTD

England & Wales - Charity number 307005

Accounts

Charity registration number 307005

Company registration number 01078648 (England and Wales)

NORTHEASE MANOR SCHOOL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

NORTHEASE MANOR SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	Mrs J Toben MIoD, MCIOF (Chair) Mrs G Des Moulins Ms C Wickham BA Hons, MA. R.C.A. Mr A Walker MA NPQH Mrs M Stebbing
Acting Headteacher	Mrs C Stamos
Charity number	307005
Company number	01078648
Registered office	Newhaven Road Rodmell Lewes East Sussex BN7 3EY
Auditor	Knill James LLP One Bell Lane Lewes East Sussex BN7 1JU
Bankers	Lloyds Bank plc 82 High Street Lewes East Sussex BN7 1XW Charity Bank Limited Fosse House 182 High Street Tonbridge Kent TN9 1BE
Solicitors	Sherrards Employment Law Solicitors 4 Albourne Court Henfield Road Albourne West Sussex BN6 9DB

NORTHEASE MANOR SCHOOL LIMITED

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NORTHEASE MANOR SCHOOL LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

The Governors present their annual report and financial statements for the year ended 31 August 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The objects are set out in the Memorandum of Association as being the promotion and provision of facilities for the advancement of education. Northease Manor School (Northease) is for pupils aged between 10 and 18 who have special educational needs and disabilities (SEND).

It remains the policy of the Governors that Northease should continue to be a centre of excellence for the education of pupils with specific learning difficulties.

We aim to provide an outstanding educational environment that restores and increases pupils' self-esteem and educates the whole child, so that each pupil has the tools they need to overcome the societal barriers and attitudes to their specific learning difficulty. The school has a clear and focused objective to become a leading school in its field. We promote the academic, moral, and physical development of our pupils through our academic curriculum, pastoral care, sporting, and other activities.

The Governors have read the Charity Commission's guidance on public benefit, and the specific guidance for charities whose objects include education. The Governors have paid due regard to the Commission's guidance, and all who make decisions about the activities the Charity undertakes are concerned to ensure that a real educational benefit is provided to a broad range of pupils. The Governors consider that the achievements and performance of the charity demonstrate success in this regard.

Governors keep under review the structure of the school to ensure that we meet the required standards for the curriculum. From the start of the Academic year 2019/20 the school ceased to provide Boarding, focusing resources on day pupils, and expanding our sixth form provision.

School values and position

The school has evolved to reflect those needs and aspirations that are sought after by parents, carers and students. The school is now focused on speech, language and communication difficulties as well as those students with an autism spectrum condition (ASC) diagnosis.

The school's aim is to 'Make the difference'. We achieve this by:

- Combining specialist expertise with passion and freedom
- Delivering impactful outcomes for our students and all those who have touched their lives
- Recognising and valuing difference
- Building confidence, character, and capability to realise students' potential

Clear expectations of the school community's attitudes and behaviours are set out in our school values:

- Kindness
- Safety
- Effort
- Attendance

Key Objectives
The school has a clear vision to become the leading special educational needs provider; equipping students with the skills, attitudes, behaviours, and opportunities to flourish. We aim to achieve this by:

- Being committed to educational excellence
- Providing a personalised education through individualised solutions
- Overcoming challenges with resilience and confidence
- Supporting students academically and pastorally to achieve potential

The school's strategy is based on delivery in 6 strategic pillars:

- Nurturing our community
- Creating collaborative excellence
- Growing our people
- Strengthening our partnerships
- Driving operational simplicity
- Sustaining strong governance and financial resilience

Ethos
Northease is a charity benefiting neurodiverse children and young people who have not flourished in other settings. The school's fees are inclusive of all therapies, and it has a commitment to continue working with local authorities and parents to provide an education that meets the needs of its students.

The school celebrates students of all backgrounds and prides itself on its approach to equalities, diversity and inclusion which is embedded in the curriculum and school's culture.

The safeguarding practice in the school has been commended previously by Ofsted, and most recently by ISI and the school continues to work with all agencies in relation to keeping children safe. The behaviour of students at Northease is outstanding, reflecting the approach the school has in addressing behaviour based on individual need. The pastoral care allows students and staff to work in a safe environment so that students achieve academically, emotionally, and socially; many of our students have communication needs and the school is committed to instilling the life skills required for students to contribute effectively to their communities and society in general.

During the Covid 19 pandemic the school was commended by our Local Authority Commissioning partners for maintaining both therapies and learning in challenging times. Brighton and Hove City Council said: 'the online learning that (Northease) are providing and the therapeutic support is very well received'.

Northease believes in equality of opportunity and is committed to the development of staff in line with its key objectives. At the school's core is a culture which genuinely celebrates diversity and champions inclusion. These are more than just words for us; they are the hard-and-fast principles guiding how we build our teams, cultivate leaders, and create a community that is the right fit for every person inside of it.

Curriculum

The curriculum is inclusive for all students. No students are restricted from entering any route of study and as such all have a balanced curriculum that meets their academic, social, and emotional needs. The school offers a curriculum in line with the maintained sector and in addition has subjects such as Horticulture, Duke of Edinburgh, Engineering, life courses such as 'ASDAN', and a full enrichment programme. We also have a 'Preparation for Adulthood ' strand which runs throughout the curriculum and includes learning how to do the day-to-day tasks that many neurotypical people can take for granted. The social aspect of learning is key for our students and this preparation for independence beyond Northease is essential.

The school has integrated therapies as part of its local offer and students benefit from education staff who have been trained in practical aspects of Speech and Language Therapy and Occupational Therapy. The therapy team at Northease work with their teacher colleagues in partnership so that all students' needs are at the forefront of what the school does.

Northease offers a full sporting curriculum for those who wish to participate. We are able to offer P.E. classes, as well as sporting enrichments to all of our students as well as Sports Studies for GCSE.

The Arts are exceptionally popular at Northease; neurodiverse children and young people can often excel in these areas. The school offers GCSE, and skills-based classes to all students and achieves excellent results. The end of year art, photography and textiles show is always commended by parents, carers and visitors.

Achievements and performance

GCSE results achieved by the students are, on average, more than one grade higher than predicted across all subjects. The school accommodates for the academic needs of its students and uses standardised tests to predict grades. Student needs are not just measured through academic attainment at Northease, rather the whole needs of the child are developed through the nurturing, supportive nature of classes, therapies and pastoral care.

Inspection

The school was inspected by The Independent Schools Inspectorate (ISI) in February 2022. The school was found to be fully compliant in all areas, with no action points or recommendations. A further safeguarding inspection took place in February 2023 for which a full written report is in process. Verbal feedback at the time was however very positive.

Covid 19

The school's response to the Covid 19 crisis was well planned and responsive. Education and therapies remained at the forefront throughout the crisis, with effective programmes for home education and support. Parents and carers were effusive in their praise for the quality of the school's support during the pandemic. During 2021/22 the school was still significantly impacted by staff absence which impacted resourcing financially.

Community

Covid 19 has restricted the amount that Northease students and staff can do with the local community, but the school is now reopening and developing links with local schools and businesses.

Northease hosts new-parent coffee mornings as well as training opportunities provided by the in-house therapy team, as well as Parent Evenings, a 6th form Open House and an Options Evenings for those who require planning preparation. Parents are welcomed on site to meet with teachers, therapists and the senior leadership team whenever they wish as we maintain an open-door policy. Within the wider community the school is developing links with similar schools and is conducting and hosting visits to share current practice and provide a network of support.

Financial review

The school's financial performance is linked to several factors, the most significant being student numbers. The school has successfully reversed an adverse position where student numbers had fallen to 61. The combination of the last three Ofsted ratings of 'Good', as well as a recent ISI inspection that met all compliance requirements, and the support we have received from our principle Local Authority partners (East Sussex CC, West Sussex CC and Brighton and Hove CC) has seen student numbers increase year on year. The school started 2021/22 with 115 students with more joining 'in year'.

Increasing student numbers and the improved oversight through the Finance and Estates Committee has had a significant and positive impact and provided a robust platform for the long-term sustainability of the school. The Governors have approved in year a set of financial golden rules to ensure we have sufficient liquidity to cover our regular commitments; that we maintain active oversight of our loan portfolio and start to build reserves from 2021/22 onwards. The return to financial stability has required a five-year financial plan which the school is achieving and improving on year on year.

2017/18 Planned deficit £404,648 Actual deficit £343,095
2018/19 Planned deficit £257,000 Actual deficit £157,721
2019/20 Planned deficit £49,000 Actual surplus £50,411
2020/21 Planned deficit £56,500 Actual surplus £67,618
2021/22 Planned Surplus £96,481 Actual surplus £190,895

The 2021/22 surplus has exceeded the schools planned surplus. However, due to unforeseen circumstances, works and investments that were due to be carried in the summer of 2022 were delayed and therefore, the planned expenditure not made, resulting in the increased unplanned surplus. This will be rectified in the 2022/23 academic year.

Our financial plan is supported by two mortgages from Charity Bank; a 25-year repayment mortgage for £410,000 and a three-year fixed term interest only mortgage for £50,000. These were put in place as part of our recovery plan to ensure sufficient capital was available and for the school to start to make necessary investments in the estate and equipment. We provide termly management information to Charity Bank.

The fixed term loan of £50,000 provided by Charity Bank will be repaid in full during March 2023 in accordance with the terms and conditions of the loan.

We are a registered charity which means we do not have commercial owners and any surpluses are put back into developing the school. We are Department of Education approved to accept students with local authority funding, if available, and because of our charitable status we can offer affordable fees for those who are self- funding.

As reported in our last annual report we successfully bid for funding to repair our outdoor swimming pool, we are indebted to the late Alex Pincus who introduced us to Wooden Spoon, the children's charity of rugby. Wooden Spoon fund life changing projects that support children and young people with disabilities or living in disadvantage. The school is proud to work with such an extraordinary charity and has successfully completed the work required and within budget with the pool fully reopening in the Spring of 2023.

Reserves policy

It is the policy of the school that its financial activities are maintained within a tight budget, which is approved by Governors. The nature of the school's activities determines that the reserves fund, property, and other net assets, are held to cover unexpected shortfalls on the Statement of Financial Activities. The Governors consider that, in the event of a significant drop in short-term funding, they will be able to continue the school's activities whilst consideration is given to ways in which additional funds may be raised. In addition, we have agreed that we will seek to build reserves each year with effect from 2020/21; to be agreed annually.

Investment policy and objectives

There are no restrictions on the school's absolute powers of investment. The policy continues to be to put any retained funds in higher deposit interest accounts.

Principal Risks and Uncertainties

The Governors review the school's current and planned future activities in the light of known and emerging risks, major risks and have the systems and procedures designed to manage them. The largely unforeseen Covid 19 pandemic has had wide-ranging impact upon the economy and society. The school has a dependency on an ecosystem that includes HM Government and local authorities who have both been adversely impacted; it is hard to yet determine what this means in the short/medium term, but we have run scenarios to understand how we would manage income reduction.

The economic context is rapidly changing with inflation and interest rate experiencing upward movement month on month; this combined with surging energy pricing; shortages in the supply of materials and labour (and associated cost increases) as well as expected increases in teaching and support staff salaries are being factored into forward planning. The rapid increase in student numbers through the last three years is giving us further confidence that our financial plan is robust, but we are not complacent.

As well as economic uncertainty, there remains health uncertainty nationally as it is difficult to predict the future and the financial impact of the pandemic, Brexit and a recession. The school has been well planned through dynamic risk assessments and business continuity planning. There was no impact to our fee income in 2021/22, however an increase in fees has been put forward for 2023/24.

Our plans and strategies for managing risk include maintaining effective internal controls, risk registers, a considered risk appetite, incident-reporting and monitoring systems and insurance cover where appropriate.

Plans for future periods

School numbers have increased more than 50% in the past 2 years and the school was at capacity in 2022. The crisis facing educational and family support systems in the southeast is a significant factor in the growth of admissions, but improved relationships with our local authority partners who see Northease as value for money in delivering excellent outcomes for our students is the key factor.

In 2022-23 Northease continues to offer a high-quality provision that represents good value for money for our stakeholders. Current and forecasted economic conditions add to the school's challenges in delivering on planned outcomes, and the school governors and leadership team are working together to form a strategy to ensure the school's continued success into the future. Following a safeguarding visit from ESCC considerable changes were required to ensure safeguarding. This resulted in expenditure which will need to be incorporated into fees for the future.

Structure, governance and management

The charitable company's original constitution is per the 1972 Trust Deed and registered with the Charity Commissioners under charity number 307005. The Memorandum and Articles of Association (1972) have been amended in subsequent years, the latest amendment being in 2020.

Northease Manor School Limited (the Trust) is the legal entity that owns the land, buildings, and other assets of Northease Manor School. The school operates as a charitable company limited by guarantee. The Board of Governors of Northease Manor School Limited (the Board) are the directors and trustees of the charitable company. The agenda for all meetings takes account of these separate but concurrent responsibilities.

None of the Governors have any beneficial interest in the company. All Governors are members of the company and guarantee to contribute £1 in the event of a winding up.

The Governors, who also act as Trustees and who are also the directors for the purpose of company law, and who served during the year and since the year end were:

Mrs J Toben MIoD, MCIOF (Chair)
Mrs G Des Moulins
Ms C Wickham BA Hons, MA. R.C.A.
Mr A Walker MA NPQH
Mrs P Ford BA Hons, FCIH (Resigned 30 September 2022)
Mrs M Stebbing

Recruitment and appointment of Governors
The Governors aim to maintain a Board with a diverse range of skills and expertise, experience, and perspective to provide effective direction and oversight. The Board consists of not fewer than five and not more than 9 Governors. The Board has absolute discretion as to the appointment of any governor. The term of office for a Governor is three years and they are eligible to serve up to a further two terms.

The Chair is responsible for the leadership of the Board and ensuring its effectiveness in all aspects of its role. The Chair facilitates both the contribution of Governors and the constructive relations between the Board and the Head and Senior Leadership Team.

The Governors handbook includes role descriptions for Governors plus the Chair and Safeguarding Governor, a conflicts of interest policy and a code of conduct for Governors, based upon the Nolan Principles (the Seven Principles of Public Life). Terms of Reference have been established for Academic and Finance and Estates Committees.

The Board may from time to time, seek nominations from parents of students attending the school. The number of Parent Governors must not exceed one third of the Board. A parent governor ceases to be a Governor on the day his or her child leaves the school. No parent governors were in place during the academic year 2021/22.

Organisational structure

The Board is ultimately responsible for all aspects of the school and its future well-being. Through a Scheme of Delegation, it has delegated to the Head in their role as Chief Executive, responsibility for the day-to-day operation and management of the school. The Board exercises an appropriate measure of control over this delegated responsibility by:

Education & Charitable Objects

- Approving the academic policy statement.
- Annually reviewing the child protection policy and procedures.
- Receiving data (but not the individual details) on formal parental complaints and providing a panel to hear appeals.
- Ensuring that the charitable objects of the school are met and that public benefit ensues.

Finance

- Providing written delegated financial powers to the Head of Finance.
- Approving a five-year financial forecast.
- Approving the annual revenue and capital budgets and regularly reviewing performance against these budgets at least each term.
- Approving fees to be paid by parents.
- Keeping a regular oversight of unpaid fees, debtors and bad debts.
- Approving any expenditure outside the agreed budget at the school.
- As governors of the Trust, overseeing investment & investment property matters.
- Ensuring that all matters relating to income and corporation tax, value added tax and council tax are being properly dealt with.
- Reviewing the annual report and financial statements with the auditors and then approving them.
- Receiving an annual report on all insurance cover, including that indemnifying the liabilities of the directors and officers.

Staff & Personnel Matters

- Approving the terms of and conditions of employment for all staff.
- Approving all increases and changes to the approved salary scales and setting the level of remuneration for the Head and the Head of Finance.
- Receiving reports on compliance with changes in employment law.
- Monitoring the application of the staff discipline and grievance procedures.

Estate and Premises

- By way of a planned maintenance programme, ensuring buildings, plant and equipment are maintained to a high standard.
- Ensuring the school has appropriate policies and systems to comply with all building safety and health & safety legislation.
- Approval of changes to building redesign and usage and the development of new facilities

Professional Advice & Support

- Appointing all professional advisers and keeping those appointments under review.

The full Board of Governors meets at least four times a year. A further skills audit of the Board is due to be undertaken to inform the recruitment of further suitably skilled Governors.

Remuneration of key management

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the school remains sensitive to the broader issues of pay and employment conditions elsewhere.

Funds held as custodian trustee

There are no arrangements where the charity or Governors are acting as custodians.

Auditor
In accordance with the company's articles, a resolution proposing that Knill James LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor
Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

In approving the Governors' Report, we also approve the Directors' Report included therein, in our capacity as company directors.

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

.....

Mrs J Toben MIoD, MCIOF (Chair)
Chair

Date: 23rd March 2023

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The Governors, who are also the directors of Northease Manor School Limited for the purpose of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

NORTHEASE MANOR SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTHEASE MANOR SCHOOL LIMITED

Opinion

We have audited the financial statements of Northease Manor School Limited (the 'charitable company') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Governors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Governors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Governors' report and from the requirement to prepare a strategic report.

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

In identifying and assessing the risk of material misstatement in respect of irregularities, including fraud, we:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company complies with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements, including the Trustees' report, remaining alert to new or unusual transactions which may not be in accordance with the governing document.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

We identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included, but were not limited to, testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

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

Use of our report

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

Knill James LLP

Mark Filsell FCA (Senior Statutory Auditor)
for and on behalf of Knill James LLP

3 April 2023

Chartered Accountants
Statutory Auditor

One Bell Lane
Lewes
East Sussex
BN7 1JU

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

Current financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income and endowments from:						
Donations and legacies	3	-	-	7,405	7,405	19,483
Charitable activities	4	2,605,256	-	-	2,605,256	2,039,236
Fundraising projects	5	1,300	-	-	1,300	-
Investments	6	47	-	-	47	35
Other income	7	89,645	-	-	89,645	94,873
Total income		2,696,248	-	7,405	2,703,653	2,153,627
Expenditure on:						
Raising funds	8	1,413	-	-	1,413	-
Charitable activities	9	2,453,648	50,396	7,301	2,511,345	2,086,009
Total expenditure		2,455,061	50,396	7,301	2,512,758	2,086,009
Net incoming resources before transfers		241,187	(50,396)	104	190,895	67,618
Gross transfers between funds		(83,456)	88,896	(5,440)	-	-
Net income/(expenditure) for the year/ Net movement in funds		157,731	38,500	(5,336)	190,895	67,618
Fund balances at 1 September 2021		(117,958)	1,477,916	6,119	1,366,077	1,298,459
Fund balances at 31 August 2022		39,773	1,516,416	783	1,556,972	1,366,077

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.

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

Prior financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £
Income and endowments from:					
Donations and legacies	3	12,901	-	6,582	19,483
Charitable activities	4	2,039,236	-	-	2,039,236
Investments	6	35	-	-	35
Other income	7	94,873	-	-	94,873
Total income		2,147,045	-	6,582	2,153,627
Expenditure on:					
Charitable activities	9	2,029,356	48,566	8,087	2,086,009
Total expenditure		2,029,356	48,566	8,087	2,086,009
Net incoming resources before transfers		117,689	(48,566)	(1,505)	67,618
Gross transfers between funds		(73,133)	83,995	(10,862)	-
Net income/(expenditure) for the year/ Net movement in funds		44,556	35,429	(12,367)	67,618
Fund balances at 1 September 2020		(162,514)	1,442,487	18,486	1,298,459
Fund balances at 31 August 2021		(117,958)	1,477,916	6,119	1,366,077

NORTHEASE MANOR SCHOOL LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	**15**		1,555,840		1,521,199
Current assets					
Debtors	**16**	749,705		955,760	
Cash at bank and in hand		816,013		392,705	
		1,565,718		1,348,465	
Creditors: amounts falling due within one year	**18**	(1,163,721)		(1,043,587)	
Net current assets			401,997		304,878
Total assets less current liabilities			1,957,837		1,826,077
Creditors: amounts falling due after more than one year	**19**		(400,865)		(460,000)
Net assets			1,556,972		1,366,077
Income funds					
Restricted funds	**22**		783		6,119
Unrestricted funds - designated			1,516,416		1,477,916
Unrestricted funds - general			39,773		(117,958)
			1,556,972		1,366,077

The financial statements were approved by the Governors on 23rd March 2023

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Mrs J Toben MIoD, MCIOF (Chair)
Trustee

Company registration number 01078648

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	28		533,490		(340,704)
Investing activities					
Purchase of tangible fixed assets		(97,644)		(111,652)	
Proceeds from disposal of tangible fixed assets		(3,450)		2,050	
Investment income received		47		35	
Net cash used in investing activities			(101,047)		(109,567)
Financing activities					
Repayment of bank loans		(9,135)		-	
Net cash used in financing activities			(9,135)		-
Net increase/(decrease) in cash and cash equivalents			423,308		(450,271)
Cash and cash equivalents at beginning of year			392,705		842,976
Cash and cash equivalents at end of year			816,013		392,705

1 Accounting policies

Charity information

Northease Manor School Limited is a private company limited by guarantee incorporated in England and Wales and a registered charity. The registered office is Newhaven Road, Rodmell, Lewes, East Sussex, BN7 3EY.

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 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

The financial statements have been prepared on a going concern basis. The Governors have prepared detailed budgets and cash flow forecasts for at least 12 months from the date of the approval of these financial statements. On the basis of these, along with a robust recovery plan and together with support from Charity bank, the Governors consider it appropriate to prepare the financial statements on a going concern basis.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Governors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

Income is recognised when the charitable company 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.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company 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.

School fees receivable are charged for services and use of the premises are accounted for in the period in which the service is provided.

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

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.6 Tangible fixed assets

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

Capital items over £1,000 are capitalised at cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	Not depreciated
Freehold buildings	15 or 50 years straight line
Computer hardware & software	3 years straight line
Fixtures, fittings & equipment	15% straight line
Motor vehicles	25% straight line

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.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible 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).

1.8 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)**

1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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 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.

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 charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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

1.11 Retirement benefits

The school operates a defined contributions pension scheme. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Academic staff are members of the teachers' superannuation scheme administered by the Teachers' Pension Agency. Contributions to the scheme are charges to the statement of financial activities as they fall due.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Depreciation

The charitable company exercises judgement to determine useful lives and residual values of property, plant and equipment. The assets are depreciated down to their residual values over their estimated useful lives.

3 Donations and legacies

	Restricted funds	Unrestricted funds general	Restricted funds	Total
	2022	2021	2021	2021
	£	£	£	£
Donations and grants	7,405	12,901	6,582	19,483

4 Charitable activities

	School fees	Other school income	Total	School fees	Other school income	Total
	2022	**2022**	**2022**	**2021**	**2021**	**2021**
	£	**£**	**£**	**£**	**£**	**£**
Gross fees	2,585,472	22,094	2,607,566	1,994,360	47,186	2,041,546
Less: Bursaries and discounts	(2,310)	-	(2,310)	(2,310)	-	(2,310)
	2,583,162	22,094	2,605,256	1,992,050	47,186	2,039,236

5 Fundraising projects

	Unrestricted funds general 2022 £	Total 2021 £
Fundraising events	1,300	-

6 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Interest receivable	47	35

7 Other income

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Net (loss)/gain on disposal of tangible fixed assets	(3,450)	2,050
Rent and letting fees	2,988	5,108
Registration fees and miscellaneous income	90,107	87,715
	89,645	94,873

8 Raising funds

	Unrestricted funds general 2022 £	Total 2021 £
Fundraising and publicity		
Staging fundraising events	1,413	-
	1,413	-

9 Charitable activities

	Teaching and educational costs	Welfare costs	Support and administration costs	Premises costs	Total	Total
	2022	2022	2022	2022	2022	2021
	£	£	£	£	£	£
Staff costs	1,515,586	112,642	259,986	-	1,888,214	1,536,959
Depreciation and impairment	-	9,753	2,855	50,396	63,004	50,403
Other costs	47,028	42,643	246,731	189,308	525,710	465,137
	1,562,614	165,038	509,572	239,704	2,476,928	2,052,499
Share of governance costs (see note 11)	34,417	-	-	-	34,417	33,510
	1,597,031	165,038	509,572	239,704	2,511,345	2,086,009
Analysis by fund						
Unrestricted funds - general	1,597,031	165,038	502,271	189,308	2,453,648	2,029,356
Unrestricted funds - designated	-	-	-	50,396	50,396	48,566
Restricted funds	-	-	7,301	-	7,301	8,087
	1,597,031	165,038	509,572	239,704	2,511,345	2,086,009

9 Charitable activities (Continued)

For the year ended 31 August 2021

	Teaching and educational costs	Welfare costs	Support and administration costs	Premises costs	Total
	2021	2021	2021	2021	2021
	£	£	£	£	£
Staff costs	1,217,800	137,896	181,263	-	1,536,959
Depreciation and impairment	-	651	1,186	48,566	50,403
Other costs	17,956	24,138	262,539	160,504	465,137
	1,235,756	162,685	444,988	209,070	2,052,499
Share of governance costs (see note 11)	33,510	-	-	-	33,510
	1,269,266	162,685	444,988	209,070	2,086,009
Analysis by fund					
Unrestricted funds - general	1,261,179	162,685	444,988	160,504	2,029,356
Unrestricted funds - designated	-	-	-	48,566	48,566
Restricted funds	8,087	-	-	-	8,087
	1,269,266	162,685	444,988	209,070	2,086,009

10 Charitable activities - other costs

Other costs relating to teaching and educational costs comprise:	2022	2021
	£	£
Educational equipment	30,265	12,323
Professional development	5,530	2,230
Specialist fees (exams)	9,216	3,403
Tuck shop expenses	2,017	-
	47,028	17,956

10 Charitable activities - other costs (Continued)

Other costs relating to welfare costs comprise:	2022	2021
	£	£
Catering supplies	42,593	24,138
Catering hospitality	50	-
	42,643	24,138

Other costs relating to premises costs comprise:	2022	2021
	£	£
Council tax & water	8,268	9,508
Insurance	30,821	27,230
Fuel & light	56,887	36,985
Health & safety	6,185	8,052
Buildings maintenance	55,944	6,665
Grounds maintenance	4,277	8,895
Household expenses	26,632	21,825
Covid related expenses	-	40,223
Swimming pool expenses	294	1,121
	189,308	160,504

Other costs relating to support and administration costs for schooling comprise:	2022	2021
	£	£
Stationery & printing	14,618	11,813
Postage	302	630
Telephone	20,243	14,241
Television, film & cameras	159	461
Legal & professional	16,169	25,880
Recruitment costs	7,378	25,759
Travelling & motor	5,074	4,228
Marketing & promotion	1,039	10,635
Maintenance of equipment	27,933	12,790
IT development & support	64,795	37,096
Bad debts	(2,950)	452
Miscellaneous	3,098	4,537
Subscriptions & licences	15,991	12,557
Outsourcing	64,693	91,888
Licences	8,189	9,572
	246,731	262,539

11 Governance costs

	2022	2021
	£	£
Audit fees	10,380	9,900
Accountancy	210	1,065
Legal and professional	3,904	3,465
Bank charges	1,041	782
Clerking costs	1,543	2,888
Loan interest	17,339	15,410
	34,417	33,510
Analysed between		
Charitable activities	34,417	33,510

12 Auditor's remuneration

Fees payable to the charitable company's auditor and associates:	2022	2021
	£	£
Audit of the charitable company's annual accounts	10,380	9,900

13 Governors

None of the Governors (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

14 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
	56	48

Employment costs	2022	2021
	£	£
Wages and salaries	1,556,605	1,287,016
Social security costs	129,018	82,757
Other pension costs	202,591	167,186
	1,888,214	1,536,959

14 Employees

(Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
£60,000 - £70,000	1	1
£70,000 - £80,000	1	-

15 Tangible fixed assets

	Freehold land	Computer hardware & software	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2021	3,076,508	140,532	26,549	34,450	3,278,039
Additions	88,896	2,879	5,869	-	97,644
Disposals	-	(124,588)	-	-	(124,588)
At 31 August 2022	3,165,404	18,823	32,418	34,450	3,251,095
Depreciation and impairment					
At 1 September 2021	1,598,592	124,569	16,267	17,411	1,756,839
Depreciation charged in the year	50,396	5,379	2,855	4,374	63,004
Eliminated in respect of disposals	-	(124,588)	-	-	(124,588)
At 31 August 2022	1,648,988	5,360	19,122	21,785	1,695,255
Carrying amount					
At 31 August 2022	1,516,416	13,463	13,296	12,665	1,555,840
At 31 August 2021	1,477,916	15,962	10,282	17,039	1,521,199

16 Debtors

Amounts falling due within one year:	2022 £	2021 £
Trade debtors	705,210	921,778
Other debtors	-	822
Prepayments and accrued income	44,495	33,160
	749,705	955,760

17 Loans and overdrafts

	2022	2021
	£	£
Bank loans	450,865	460,000
Payable within one year	50,000	-
Payable after one year	400,865	460,000

The bank loans are secured by fixed charges over the freehold property known as Northease Manor School together with funds held in the Debt Service Reserve Account.

Loan 1 is repayable over a period of 25 years at an interest rate of 3.25% above the Bank of England base rate, with a break option after five years in November 2023. No capital repayments are due on the amount of the loan drawn down for 36 months following the initial draw down date.

The amount payable within one year of £50,000 represents an interest only loan (loan 2) which is due to be repaid in full in March 2023.

18 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Bank loans	17	50,000	-
Other taxation and social security		32,232	23,619
Deferred income	20	1,015,797	911,107
Trade creditors		27,955	65,175
Other creditors		27,357	24,607
Accruals and deferred income		10,380	19,079
		1,163,721	1,043,587

19 Creditors: amounts falling due after more than one year

	Notes	2022	2021
		£	£
Bank loans	17	400,865	460,000

20 Deferred income

	2022	2021
	£	£
Arising from Fees in advance	1,015,797	911,107

Deferred income is included in the financial statements as follows:

20 Deferred income

(Continued)

	2022	2021
	£	£
Deferred income is included within:		
Current liabilities	1,015,797	911,107
Movements in the year:		
Deferred income at 1 September 2021	911,107	702,737
Released from previous periods	(911,107)	(702,737)
Resources deferred in the year	1,015,797	911,107
Deferred income at 31 August 2022	1,015,797	911,107

Deferred income represents winter term fees for the coming school year which are billed in advance.

21 Retirement benefit schemes

Defined contribution schemes

The school operates two pension schemes for the benefit of employees. The Teachers' Pension Scheme (TPS), a defined benefit scheme, is available to all teachers. All other staff can enter a defined contributions scheme.

Defined contribution

The assets of the scheme are held separately from those of the School in an independently administered fund. Contributions to the scheme are charges to the Statement of Financial Activities as they fall due. Contributions payable by the charitable company in the year amounted to £9,807 (2021 - £8,081).

The company also operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. Contributions totalling £2,108 (2021 - £1,026) were payable to the fund at the year end and are included in creditors.

21 Retirement benefit schemes (Continued)

Teachers' Pension Scheme

Introduction
The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in schools and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years 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. 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 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. 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

- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations

- 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 is 4.45%.

The employer's pension costs paid to TPS in the period amounted to £192,783 (2021 - £159,106).

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

22 Restricted funds

The income funds of the charitable company include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds			Movement in funds			
	Balance at 1 September 2020	Incoming resources	Resources expended	Balance at 1 September 2021	Incoming resources	Resources expended	Transfers	Balance at 31 August 2022
	£	£	£	£	£	£	£	£
Sensory Garden	2,694	-	(2,694)	-	-	-	-	-
Sunken Trampoline	35	-	(35)	-	-	-	-	-
Enterprise	780	-	(780)	-	-	-	-	-
Sponsored Dog Fund	1,078	-	(1,078)	-	-	-	-	-
David Wood Pianola Fund	3,337	2,531	-	5,868	-	-	(5,868)	-
Swimming Pool	200	51	-	251	-	-	-	251
Wooden Spoon Swimming Pool	10,362	-	(10,362)	-	-	-	-	-
Sussex Police	-	500	(500)	-	-	-	-	-
Lions	-	3,500	(3,500)	-	-	-	-	-
School Outdoor Equipment	-	-	-	-	1,873	(1,881)	8	-
Big Bang	-	-	-	-	500	(500)	-	-
Duke of Edinburgh	-	-	-	-	500	-	-	500
Screwfix Foundation	-	-	-	-	4,500	(4,920)	420	-
Library	-	-	-	-	32	-	-	32
	18,486	6,582	(18,949)	6,119	7,405	(7,301)	(5,440)	783

22 Restricted funds **(Continued)**

The Sensory Garden Fund has been set up to provide resources for the outside classroom and sensory garden.

The Sensory Equipment and Sunken Trampoline Fund has been set up to provide sensory items for the students.

The Enterprise Fund has been set up to provide resources to the school.

The Sponsored Dog Fund has been set up to fund items for the students for extracurricular sessions.

The David Wood Pianola Fund relates to donations received from Mr David Wood OBE towards the cost of the restoration and delivery of a vintage pianola by David Dibley. Part-payment for David Dibley's services was made in the year to 31 August 2018 and is included in fixed assets.

The Swimming Pool fund has been set up to provide equipment for the swimming pool.

The Wooden Spoon Swimming Pool fund relates to a successful bid by the school for funding for the repair of our outdoor swimming pool.

The Sussex Police Fund has been set up to provide CCTV equipment as extra security for the school.

The Lions Club Fund has been set up to provide students with ICT equipment.

The School Outdoor Equipment fund has been set up to provide funding for the school which is raised through a fundraising campaign led by a member of staff and others who undertake a variety of physical challenges.

The Big Bang Fund has been set up due to amounts received from entering a competition which was then used on an exploration and experimentation garden.

The Duke of Edinburgh fund has been set up to help support the school in its purchase of resources.

The Screwfix Foundation Fund has been set up to upgrade parts of the school plumbing system.

The Library fund has been set up to support the purchase of books for the library.

23 Designated funds

The income funds of the charitable company include the following designated funds which have been set aside out of unrestricted funds by the governors for specific purposes:

	Balance at 1 September 2020	Resources expended	Transfers	Balance at 1 September 2021	Resources expended	Transfers	Balance at 31 August 2022
	£	£	£	£	£	£	£
Fixed Asset Fund	1,442,487	(48,566)	83,995	1,477,916	(50,396)	88,896	1,516,416
	1,442,487	(48,566)	83,995	1,477,916	(50,396)	88,896	1,516,416

The Fixed Asset Fund has been established to reflect the charitable company's investment in its freehold property assets. A transfer is made each year from the general fund to reflect any additions paid by general funds and also disposals made in the year. The transfer to the general fund during 2022 totalled £88,896 (2021 - £83,995).

24 Analysis of net assets between funds

	Unrestricted funds 2022	Designated funds 2022	Restricted funds 2022	Total 2022	Unrestricted funds 2021	Designated funds 2021	Restricted funds 2021	Total 2021
	£	£	£	£	£	£	£	£
Fund balances at 31 August 2022 are represented by:								
Tangible assets	39,424	1,516,416	-	1,555,840	43,283	1,477,916	-	1,521,199
Current assets/(liabilities)	401,214	-	783	401,997	298,759	-	6,119	304,878
Long term liabilities	(400,865)	-	-	(400,865)	(460,000)	-	-	(460,000)
	39,773	1,516,416	783	1,556,972	(117,958)	1,477,916	6,119	1,366,077

25 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	3,418	3,418
Between two and five years	5,982	9,400
	9,400	12,818

26 Capital commitments

	2022	2021
	£	£
At 31 August 2022 the charitable company had capital commitments as follows:		
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	-	46,645

27 Related party transactions

Remuneration of key management personnel

Key management personnel received remuneration, which includes employers NI, and employer pension contributions, as follows:

	2022	2021
	£	£
Aggregate compensation	334,760	204,190

28 Cash generated from operations	2022 £	2021 £
Surplus for the year	190,895	67,618
Adjustments for:		
Investment income recognised in statement of financial activities	(47)	(35)
Loss/(gain) on disposal of tangible fixed assets	3,450	(2,050)
Depreciation and impairment of tangible fixed assets	63,004	50,403
Movements in working capital:		
Decrease/(increase) in debtors	206,055	(666,778)
(Decrease)/increase in creditors	(34,557)	1,768
Increase in deferred income	104,690	208,370
Cash generated from/(absorbed by) operations	533,490	(340,704)

29 Analysis of changes in net funds/(debt)

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	392,705	423,308	816,013
Loans falling due within one year	-	(50,000)	(50,000)
Loans falling due after more than one year	(460,000)	59,135	(400,865)
	(67,295)	432,443	365,148

NORTHEASE MANOR SCHOOL LTD

England & Wales - Charity number 307005

Accounts

Charity Registration No. 307005

Company Registration No. 01078648 (England and Wales)

NORTHEASE MANOR SCHOOL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

NORTHEASE MANOR SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	Mrs J Toben MIoD, MCIOF (Chair) Mrs G Des Moulins Ms C Wickham BA Hons, MA. R.C.A. Mr A Walker MA NPQH Mrs P Ford BA Hons, FCIH Mrs M Stebbing
Head	Mr M Ward
Charity number	307005
Company number	01078648
Principal address and registered office	Newhaven Road Rodmell Lewes East Sussex BN7 3EY
Auditor	Knill James LLP One Bell Lane Lewes East Sussex BN7 1JU
Main Bankers	Lloyds Bank PLC 82 High Street Lewes East Sussex BN7 1XW Charity Bank Limited Fosse House 182 High Street Tonbridge Kent TN9 1BE
Solicitors	Sherrards Employment Law Solicitors 4 Albourne Court Henfield Road Albourne West Sussex BN6 9DB

NORTHEASE MANOR SCHOOL LIMITED

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NORTHEASE MANOR SCHOOL LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The Governors present their annual report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The objects are set out in the Memorandum of Association as being the promotion and provision of facilities for the advancement of education. Northease Manor School (Northease) is for pupils aged between 10 and 18 who have special educational needs and disabilities (SEND).

It remains the policy of the Governors that Northease should continue to be a centre of excellence for the education of pupils with specific learning difficulties.

We aim to provide an outstanding educational environment that restores and increases pupils' self-esteem and educates the whole child, so that each pupil has the tools they need to overcome the societal barriers and attitudes to their specific learning difficulty. The school has a clear and focused objective to become a leading school in its field. We promote the academic, moral, and physical development of our pupils through our academic curriculum, pastoral care, sporting, and other activities.

The Governors have read the Charity Commission's guidance on public benefit, and the specific guidance for charities whose objects include education. The Governors have paid due regard to the Commission's guidance, and all who make decisions about the activities the Charity undertakes are concerned to ensure that a real educational benefit is provided to a broad range of pupils. The Governors consider that the achievements and performance of the charity demonstrate success in this regard.

Governors keep under review the structure of the school to ensure that we meet the required standards for the curriculum. From the start of the Academic year 2019/20 the school ceased to provide Boarding, focusing resources on day pupils, and expanding our sixth form provision.

School values and position

The school has evolved to reflect those needs that are sought after by parents and children. The school is now focused on students with communication and interaction difficulties and / or cognition and learning difficulties as well as those young people with an autism spectrum condition (ASC) diagnosis. The school is actively engaged with its local educational authority partners in meeting current and future need.

The school's aim is to 'Make the difference. Changing Lives. We achieve this by:

- Combining specialist expertise with passion and freedom
- Delivering impactful outcomes for our pupils and all those who have touched their lives
- Recognising and valuing difference
- Building confidence, character, and capability to realise potential right now, tomorrow and for the future

Clear expectations of the school community's attitudes and behaviours are set out in our school values:

- Be Kind
- Be Brave
- Be Curious

Key Objectives
The school has a clear vision to become the Leading special educational needs provider; equipping people with the skills, attitudes, behaviours, and opportunities to flourish. We aim to achieve this by:

- Role-modelling educational excellence, are pioneers in research and continuously seek to do better and be better
- Providing a personalised education through bespoke solutions
- Overcoming challenges with resilience and confidence
- Thriving by achieving one's potential

The school's Strategy is based on delivery in 6 strategic pillars:

- Nurturing our community
- Creating collaborative excellence
- Growing our people
- Strengthening our partnerships
- Driving operational simplicity
- Sustaining strong governance and financial resilience

Ethos
Northease is a charity benefiting young people with specific learning needs who have not flourished in other settings. The school's fees are inclusive of all therapies, and it has a commitment to continue working with local authorities and parents to provide an education that meets the needs of its pupils so that they achieve in line with or above their peers who do not have SEND.

The school celebrates pupils of all backgrounds and prides itself on its approach to equalities, diversity and inclusion which is embedded in the curriculum and school's culture.

The safeguarding practice in the school has been commended by various inspecting bodies including Ofsted, ISI and local education authorities. The school continues to work with all agencies in relation to keeping children safe. The behaviour of pupils at Northease is outstanding, reflecting the approach the school has in addressing behaviour based on individual need. The pastoral care allows pupils and staff to work in a safe environment so that students achieve academically, emotionally, and socially; many of our pupils have communication needs and the school is committed to instilling the life skills required for pupils to contribute effectively to their communities and society in general.

Maintaining pupil wellbeing and supporting them during the Covid 19 pandemic has and remains the top priority. The school has been commended by our Local Authority Commissioning partners for maintaining both therapies and learning in challenging times Brighton and Hove City Council said: 'the online learning that (Northease) are providing and the therapeutic support is very well received'.

Northease believes in equality of opportunity and is committed to the development of staff in line with its key objectives. At the school's core is a culture which genuinely celebrates diversity and champions inclusion. These are more than just words for us; they are the hard-and-fast principles guiding how we build our teams, cultivate leaders, and create a community that is the right fit for every person inside of it.

Curriculum

The curriculum is inclusive for all pupils. No pupils are restricted from entering any route of study and as such all have a balanced curriculum that meets their academic, social, and emotional needs. The school offers a curriculum in line with the maintained sector and in addition has subjects such as Horticulture, Duke of Edinburgh, Engineering, life courses such as 'ASDAN', and a full enrichment programme. (In light of the COVID-19 pandemic we have had to move to a 'bubble system' in school and because of this we have had to run a reduced enrichment programme). We also have a 'Preparation for Adulthood' strand which runs throughout the curriculum and includes learning how to do the day-to-day tasks that many neurotypical people can take for granted. The social aspect of learning is key for our pupils and this preparation for independence beyond Northease is essential.

The school has integrated therapies as part of its local offer and pupils benefit from education staff who have been trained in practical aspects of Speech and Language Therapy and Occupational Therapy. The therapy team at Northease work with their teacher colleagues in partnership so that all pupils' needs are at the forefront of what the school does. This work has resulted in teachers gaining formal qualifications for teaching young people with speech, language, and communication needs (Elklan).

Northease offers a full sporting curriculum and we are proud to say that, even with the restrictions that COVID has placed upon us, at Northease we continue to make use of our amazing outdoor space offering football, cricket, softball, tennis, athletics, and swimming.

The Arts are exceptionally popular at Northease, and the school's art, photography and textiles show are always commended by parents, carers and visitors. The school has a full suite of iMacs for editing and the professional nature of the work produced has been commended by all.

Achievements and performance

Pupil achievement is excellent at Northease: on average all pupils achieve more than one grade higher than predicted across all subjects, without taking into account their educational need. The school does not make adjustments for SEND and uses standardised tests to predict grades. This sets the school above the vast majority of similar schools and the grades are continuing to rise. These results are all the more impressive this year and bear testament to the hard work of both students and staff on having to switch seamlessly to online learning during lockdown.

The school has recently received a routine regulatory compliance inspection by the Independent Schools Inspectorate (ISI) (having migrated from Ofsted last year). The school was found to be fully compliant in all areas.

The most recent educational quality inspection report highlights that:

The school is moving securely in the right direction. The head is extremely well supported by an effective senior- and middle-leadership teams. There has been a significant and positive shift in the school's culture and ethos. A shared determination to successfully meet each pupils particular individual needs is starting to reap considerable rewards. Very effective use of training, including working in close partnership with the therapy team, is supporting improvements well.

Pupils benefit from good teaching. Consequently, their outcomes are strong across a broad range of subjects. Leaders know precisely where any variability in this quality remains and take effective action accordingly. Pupils are typically highly engaged and often enthused by their work. Extensive and diverse enrichment activities help promote their personal development well. The behaviour of pupils is often truly impressive and is outstanding overall. Almost all are unfailingly polite and courteous. Pupils are great ambassadors for the school.

Community

Moving out of the pandemic, Northease is now actively developing links with local schools and businesses to better the experience and outlook for our pupils.

Financial review

The school's financial performance is linked to several factors, the most significant being pupil numbers. The school has successfully reversed an adverse position where pupil numbers had fallen to 61. The combination of the last three Ofsted ratings of 'Good' and the support we have received from our principle Local Authority partners (East Sussex CC, West Sussex CC and Brighton and Hove CC) has seen pupil numbers increase year on year (in 2020/21 we started the year with 77 and finished the year with 92). The school starts 2021/22 with 101 pupils with more joining 'in year'.

Increasing pupil numbers and the improved oversight through the Finance and Estates Committee has had a significant and positive impact and provided a robust platform for the long-term sustainability of the school. The Governors have approved in year a set of financial golden rules to ensure we have sufficient liquidity to cover our regular commitments; that we maintain active oversight of our loan portfolio and start to build reserves from 2021/22 onwards. The return to financial stability has required a five-year financial plan which the school is achieving and improving on year on year.

2017/18	Planned deficit	£404,648	Actual deficit	£343,095
2018/19	Planned deficit	£257,000	Actual deficit	£157,721
2019/20	Planned deficit	£49,000	Actual surplus	£50,411
2020/21	Planned Surplus	£840	Actual surplus	£67,618

Our financial plan is supported by a 25-year mortgage from Charity Bank, which was put in place to ensure sufficient working capital was available and the school can start to make necessary investments in the estate and equipment. We provide termly management information to Charity Bank.

We are a registered charity which means we do not have commercial owners and any surpluses are put back into developing the school. We are Department of Education approved to accept students with local authority funding, if available, and because of our charitable status we can offer affordable fees for those who are self-funding.

As reported in our last annual report we successfully bid for funding to repair our outdoor swimming pool, we are indebted to the late Alex Pincus who introduced us to Wooden Spoon, the children's charity of rugby. Wooden Spoon fund life changing projects that support children and young people with disabilities or living in disadvantage. The school is proud to work with such an extraordinary charity and has successfully completed the work to time and budget with the pool fully reopening in the Spring of 2022.

Reserves policy

It is the policy of the school that its financial activities are maintained within a tight budget, which is approved by Governors. The nature of the school's activities determines that the reserves fund, property, and other net assets, are held to cover unexpected shortfalls on the Statement of Financial Activities. The Governors consider that, in the event of a significant drop in short-term funding, they will be able to continue the school's activities whilst consideration is given to ways in which additional funds may be raised. In addition, we have agreed that we will seek to build reserves each year with effect from 2020/21; to be agreed annually. In this year £67,000 will be moved to free reserves.

Investment policy and objectives

There are no restrictions on the school's absolute powers of investment. The policy continues to be to put any retained funds in higher deposit interest accounts.

Principal Risks and Uncertainties

The Governors review the school's current and planned future activities in the light of known and emerging risks major risks and have the systems and procedures designed to manage them. The largely unforeseen Covid 19 pandemic has had wide-ranging impact upon the economy and society. The school has a dependency on an ecosystem that includes HM Government and local authorities who have both been adversely impacted it is hard to yet determine what this means in the short/medium term, but we have run scenarios to understand how we would manage income reduction.

The economic context is rapidly changing with inflation and interest rate experiencing upward movement month on month; this combined with surging energy pricing; shortages in the supply of materials and labour (and associated cost increases) and the potential for further initiatives to claw back revenue through taxation are being tracked closely and are being factored into forward planning. The rapid increase in pupil numbers through the last three years is giving us further confidence that our financial plan is robust, but we are not complacent.

As well as economic uncertainty, there remains health uncertainty nationally as it is difficult to predict the future and how we live with covid. The school's response to the covid 19 crisis has been well planned and responsive through dynamic risk assessments and business continuity planning. There was no impact to our fee income in 2020/21 and additional costs for PPE were covered by a planned contingency and offset against in-year saving during lockdown.

Our plans and strategies for managing risk include maintaining effective internal controls, risk registers, a considered risk appetite, incident-reporting and monitoring systems and insurance cover where appropriate.

Plans for future periods

After a period of austerity, Northease is now investing in both the fabric of the school and on delivering outstanding outcomes for its students. More than £170k will have been spent on the school site in the last calendar year and more than half the students will be sitting in front of new laptops or PC. Perhaps most importantly, the governors have invested in the school team with the appointment of key positions onto the leadership team; confirming the appointment of the interim Head, Martyn Ward on a permanent basis; Deputy Head and Operations and Facilities Manager as well as investing in the teaching, therapy, and pastoral teams.

School leadership has recently redefined the school purpose, a compelling vision for the future, and has created a strategy to deliver. Added to this, new structures and systems not only ensure compliance (school statutory responsibilities are built into the job descriptions of members of the leadership team as core competencies) but also ensure that the school is able to take advantage of the significant investment in the school that governors have agreed, investment that will allow for the delivery of the best outcomes for our students. These systems include even more robust monitoring (triangulating regular feedback from pupils, parents, staff, and Local authorities, with observations from leadership and governors, as well as the data collected about staff and student performance), and even more frequent training based on needs established though monitoring systems. These new systems have already led to improvements in planning, teaching, monitoring and assessment, recording and reporting.

School numbers have increased more than 30% in the past 18 months, and the pattern is set to continue. The crisis facing educational and family support systems in the Southeast is a significant factor in the growth of admissions, but improved relationships with our Local Authority Partners who see Northease as value for money in delivering excellent outcomes for our students is the key factor.

Coupled with this increase in income is an improved financial literacy across the organisation, and the school team now seeks best value in all its financial dealings.

The year for which these accounts have been prepared is against the backdrop of the Ofsted report following the third lockdown which showed that showed that SEND pupils had fared less well with and during on-line learning than their peers while GCSE results for pupils at Northease have never been better.

The Ofsted report in 2018 commends Northease where 'behaviour is outstanding' and the school is being well-led in relation to individual needs. The report confirms that Northease is a good school where students' educational and social, emotional, and mental health needs are well-met. During 2020/21 Governors approved a move to the Independent Schools Inspectorate (ISI) which was supported by our Local Authority strategic partners.

2021/22 will see the benefits of the established governing body, the new Head and senior leadership team working hard together, to further improve governance, financial sustainability and most importantly, the teaching, learning, and safeguarding at the school.

Structure, governance and management

The charitable company's original constitution is per the 1972 Trust Deed and registered with the Charity Commissioners under charity number 307005. The Memorandum and Articles of Association (1972) have been amended in subsequent years, the latest amendment being in 2020.

The Northease Manor School Limited (the Trust) is the legal entity that owns the land, buildings, and other assets of Northease Manor School. The school operates as a charitable company limited by guarantee. The Board of Governors of Northease Manor School Limited (the Board) are the directors and trustees of the charitable company. The agenda for all meetings takes account of these separate but concurrent responsibilities.

None of the Governors have any beneficial interest in the company. All Governors are members of the company and guarantee to contribute £1 in the event of a winding up.

The Governors, who also act as Trustees and who are also the directors for the purpose of company law, and who served during the year and since the year end were:
Mrs J Toben MIoD, MCIOF (Chair)
Mrs G Des Moulins
Ms C Wickham BA Hons, MA. R.C.A.
Mr A Walker MA NPQH
Mrs P Ford BA Hons, FCIH
Mrs M Stebbing

Recruitment and appointment of Governors
The Governors aim to maintain a Board with a diverse range of skills and expertise, experience, and perspective to provide effective direction and oversight. The size of the Board was reviewed in 2020 and via a special resolution of the Board of Governors, it was agreed that the Board should consist of not fewer than five and not more than 9 Governors. The Board has absolute discretion as to the appointment of any governor. The term of office for a Governor is three years and they are eligible to serve up to a further two terms.

The Chair is responsible for the leadership of the Board and ensuring its effectiveness in all aspects of its role. The Chair facilitates both the contribution of Governors and the constructive relations between the Board and the Head and Senior Leadership Team.

The Governors handbook includes role descriptions for Governors plus the Chair and Safeguarding Governor, a conflicts of interest policy and a code of conduct for Governors, based upon the Nolan Principles (the Seven Principles of Public Life). Terms of Reference have been established for Academic and Finance and Estates Committees.

The Board may from time to time, seek nominations from parents of pupils attending the school. The number of Parent Governors must not exceed one third of the Board. A parent governor ceases to be a Governor on the day his or her child leaves the school. No parent governors were in place during the academic year 2020/21.

Organisational structure
The Board is ultimately responsible for all aspects of the school and its future well-being. It has delegated to the Head in his or her role as Chief Executive, responsibility for the day-to-day operation and management of the school. The Board exercises an appropriate measure of control over this delegated responsibility by:

Education & Charitable Objects
- Approving the academic policy statement.
- Annually reviewing the child protection policy and procedures.
- Receiving data (but not the individual details) on formal parental complaints and providing a panel to hear appeals.
- Ensuring that the charitable objects of the school are met and that public benefit ensues.

Finance
- Providing written delegated financial powers to the Head of Finance.
- Approving a five-year financial forecast.
- Approving the annual revenue and capital budgets and regularly reviewing performance against these budgets at least each term.
- Approving fees to be paid by parents.
- Keeping a regular oversight of unpaid fees, debtors and bad debts.
- Approving any expenditure outside the agreed budget at the school.
- As governors of the Trust, overseeing investment & investment property matters.
- Ensuring that all matters relating to income and corporation tax, value added tax and council tax are being properly dealt with.
- Reviewing the annual report and financial statements with the auditors and then approving them.
- Receiving an annual report on all insurance cover, including that indemnifying the liabilities of the directors and officers.

Staff & Personnel Matters
- Approving the terms of and conditions of employment for all staff.
- Approving all increases and changes to the approved salary scales and setting the level of remuneration for the Head and the Head of Finance.
- Receiving reports on compliance with changes in employment law.
- Monitoring the application of the staff discipline and grievance procedures.

Estate and Premises
- By way of a planned maintenance programme, ensuring buildings, plant and equipment are maintained to a high standard.
- Ensuring the school has appropriate policies and systems to comply with all building safety and health & safety legislation.
- Approval of changes to building redesign and usage and the development of new facilities

Professional Advice & Support
- Appointing all professional advisers and keeping those appointments under review.

The full Board of Governors meets at least once a term. A further skills audit of the Board is due to be undertaken to inform the recruitment of further suitably skilled Governors.

Remuneration of key management
The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the school remains sensitive to the broader issues of pay and employment conditions elsewhere.

Funds held as custodian trustee
There are no arrangements where the charity or Governors are acting as custodians.

Auditor

In accordance with the company's articles, a resolution proposing that Knill James LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

In approving the Governors' Report, we also approve the Directors' Report included therein, in our capacity as company directors.

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

Julie Toben

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Mrs J Toben MIoD, MCIOF (Chair)

Chair

Date: ....17.....March.....2022

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The Governors, who are also the directors of Northease Manor School Limited for the purpose of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

NORTHEASE MANOR SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE GOVERNORS OF NORTHEASE MANOR SCHOOL LIMITED

Opinion

We have audited the financial statements of Northease Manor School Limited (the 'charitable company') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Governors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Governors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Governors' report and from the requirement to prepare a strategic report.

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

In identifying and assessing the risk of material misstatement in respect of irregularities, including fraud, we:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company complies with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements, including the Trustees' report, remaining alert to new or unusual transactions which may not be in accordance with the governing document.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

We identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included, but were not limited to, testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF NORTHEASE MANOR SCHOOL LIMITED

Use of our report

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

Knill James LLP

Mark Filsell FCA (Senior Statutory Auditor)
for and on behalf of Knill James LLP

25 November 2022

Chartered Accountants
Statutory Auditor

One Bell Lane
Lewes
East Sussex
BN7 1JU

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Current financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and legacies	**3**	12,901	-	6,582	19,483	10,722
Charitable activities	**4**	2,039,236	-	-	2,039,236	1,775,106
Fundraising projects	**5**	-	-	-	-	8,923
Investments	**6**	35	-	-	35	111
Other income	**7**	94,873	-	-	94,873	105,116
Total income		2,147,045	-	6,582	2,153,627	1,899,978
Expenditure on:						
Charitable activities	**8**	2,029,356	48,566	8,087	2,086,009	1,849,567
Net incoming/(outgoing) resources before transfers		117,689	(48,566)	(1,505)	67,618	50,411
Gross transfers between funds		(73,133)	83,995	(10,862)	-	-
Net income/(expenditure) for the year/ Net movement in funds		44,556	35,429	(12,367)	67,618	50,411
Fund balances at 1 September 2020		(162,514)	1,442,487	18,486	1,298,459	1,248,048
Fund balances at 31 August 2021		(117,958)	1,477,916	6,119	1,366,077	1,298,459

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.

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Prior financial year

	Notes	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £
Income and endowments from:					
Donations and legacies	**3**	360	-	10,362	10,722
Charitable activities	**4**	1,775,106	-	-	1,775,106
Fundraising projects	**5**	3,228	-	5,695	8,923
Investments	**6**	111	-	-	111
Other income	**7**	105,116	-	-	105,116
Total income		1,883,921	-	16,057	1,899,978
Expenditure on:					
Charitable activities	**8**	1,800,807	47,573	1,187	1,849,567
Net incoming/(outgoing) resources before transfers		83,114	(47,573)	14,870	50,411
Gross transfers between funds		(29,968)	29,968	-	-
Net income/(expenditure) for the year/ Net movement in funds		53,146	(17,605)	14,870	50,411
Fund balances at 1 September 2019		(215,660)	1,460,092	3,616	1,248,048
Fund balances at 31 August 2020		(162,514)	1,442,487	18,486	1,298,459

NORTHEASE MANOR SCHOOL LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	**14**		1,521,199		1,459,950
Current assets					
Debtors	**15**	955,760		288,982	
Cash at bank and in hand		392,705		842,976	
		1,348,465		1,131,958	
Creditors: amounts falling due within one year	**17**	(1,043,587)		(833,449)	
Net current assets			304,878		298,509
Total assets less current liabilities			1,826,077		1,758,459
Creditors: amounts falling due after more than one year	**18**		(460,000)		(460,000)
Net assets			1,366,077		1,298,459
Income funds					
Restricted funds	**20**		6,119		18,486
Unrestricted funds - designated	**21**		1,477,916		1,442,487
Unrestricted funds - general	**22**		(117,958)		(162,514)
			1,366,077		1,298,459

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 Governors on 17 March 2022

Julie Toben

Mrs J Toben MIoD, MCIOF (Chair)
Governor

Company Registration No. 01078648

NORTHEASE MANOR SCHOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021		2020	
		£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	**26**		(340,704)		499,512
Investing activities					
Purchase of tangible fixed assets		(111,652)		(39,330)	
Proceeds on disposal of tangible fixed assets		2,050		-	
Investment income received		35		111	
Net cash used in investing activities			(109,567)		(39,219)
Financing activities					
Repayment of bank loans		-		198,600	
Net cash (used in)/generated from financing activities			-		198,600
Net (decrease)/increase in cash and cash equivalents			(450,271)		658,893
Cash and cash equivalents at beginning of year			842,976		184,083
Cash and cash equivalents at end of year			392,705		842,976

1 Accounting policies

Charity information

Northease Manor School Limited is a private company limited by guarantee incorporated in England and Wales and a registered charity. The registered office is Newhaven Road, Rodmell, Lewes, East Sussex, BN7 3EY.

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 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

The financial statements have been prepared on a going concern basis. The Governors have prepared detailed budgets and cash flow forecasts for at least 12 months from the date of the approval of these financial statements, including an assessment of the impact on the school of Covid-19 as part of the preparation of a business continuity plan. On the basis of these, along with a robust recovery plan and together with support from Charity bank, the Governors consider it appropriate to prepare the financial statements on a going concern basis.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Governors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

Income is recognised when the charitable company 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.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company 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.

School fees receivable are charged for services and use of the premises are accounted for in the period in which the service is provided.

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.6 Tangible fixed assets

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

Capital items over £1,000 are capitalised at cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	Not depreciated
Freehold buildings	50 years/15 years straight line
Computer hardware & software	3 years straight line
Fixtures, fittings & equipment	15% straight line
Motor vehicles	25% straight line

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.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible 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).

1.8 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)**

1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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 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.

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 charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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

1.11 Retirement benefits

The school operates a defined contributions pension scheme. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Academic staff are members of the teachers' superannuation scheme administered by the Teachers' Pension Agency. Contributions to the scheme are charges to the statement of financial activities as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Depreciation
The charitable company exercises judgement to determine useful lives and residual values of property, plant and equipment. The assets are depreciated down to their residual values over their estimated useful lives.

3 Donations and legacies

	Unrestricted funds general 2021	**Restricted funds 2021**	**Total 2021**	Unrestricted funds general 2020	Restricted funds 2020	Total 2020
	£	**£**	**£**	£	£	£
Donations and gifts	12,901	6,582	19,483	360	10,362	10,722

4 Charitable activities

	Charitable Income - school fees 2021	**Charitable Income Other school income 2021**	**Total 2021**	Charitable Income - school fees 2020	Charitable Income Other school income 2020	Total 2020
	£	**£**	**£**	£	£	£
Gross fees	1,994,360	47,186	2,041,546	1,757,949	19,533	1,777,482
Less: Bursaries and discounts	(2,310)	-	(2,310)	(2,376)	-	(2,376)
	1,992,050	47,186	2,039,236	1,755,573	19,533	1,775,106

5 Fundraising projects

	Total	Unrestricted funds general	Restricted funds	Total
	2021	2020	2020	2020
	£	£	£	£
Fundraising events	-	3,228	5,695	8,923

6 Investments

	Unrestricted funds general 2021	Unrestricted funds general 2020
	£	£
Interest receivable	35	111

7 Other income

	Unrestricted funds general 2021	Unrestricted funds general 2020
	£	£
Net gain on disposal of tangible fixed assets	2,050	-
Rent and letting fees	5,108	6,684
Registration fees and miscellaneous income	87,715	98,432
	94,873	105,116

8 Charitable activities

	Teaching and educational costs	Welfare costs	Support and administration costs for schooling	Premises costs	Total	Total
	2021	2021	2021	2021	2021	2020
	£	£	£	£	£	£
Staff costs	1,217,800	137,896	181,263	-	1,536,959	1,440,194
Depreciation and impairment	-	651	1,186	48,566	50,403	54,984
Other costs	17,956	24,138	262,539	160,504	465,137	312,105
	1,235,756	162,685	444,988	209,070	2,052,499	1,807,283
Share of governance costs (see note 10)	33,510	-	-	-	33,510	42,284
	1,269,266	162,685	444,988	209,070	2,086,009	1,849,567
Analysis by fund						
Unrestricted funds - general	1,261,179	162,685	444,988	160,504	2,029,356	1,800,807
Unrestricted funds - designated	-	-	-	48,566	48,566	47,573
Restricted funds	8,087	-	-	-	8,087	1,187
	1,269,266	162,685	444,988	209,070	2,086,009	1,849,567

8 **Charitable activities** **(Continued)**

For the year ended 31 August 2020

	Teaching and educational costs	Welfare costs	Support and administration costs for schooling	Premises costs	Total 2020
	£	£	£	£	£
Staff costs	1,024,121	246,576	169,497	-	1,440,194
Depreciation and impairment	-	3,969	3,442	47,573	54,984
Other costs	18,379	18,583	159,984	115,159	312,105
	1,042,500	269,128	332,923	162,732	1,807,283
Share of governance costs (see note 10)	42,284	-	-	-	42,284
	1,084,784	269,128	332,923	162,732	1,849,567
Analysis by fund					
Unrestricted funds - general	1,083,597	269,128	332,923	115,159	1,800,807
Unrestricted funds - designated	-	-	-	47,573	47,573
Restricted funds	1,187	-	-	-	1,187
	1,084,784	269,128	332,923	162,732	1,849,567

9 Charitable activities

Other costs relating to teaching and educational costs comprise:	2021 £	2020 £
Educational equipment	12,323	6,033
Professional development	2,230	4,635
Specialist fees (exams)	3,403	6,271
Vocational courses	-	504
Tuck shop expenses	-	936
	17,956	18,379

Other costs relating to welfare costs comprise:	2021 £	2020 £
Catering supplies	24,138	18,583
	24,138	18,583

Other costs relating to premises costs comprise:	2021 £	2020 £
Council tax & water	9,508	12,543
Insurance	27,230	25,589
Fuel & light	36,985	43,011
Health & safety	8,052	4,684
Buildings maintenance	6,665	5,746
Grounds maintenance	8,895	3,676
Household expenses	21,825	19,266
Covid related expenses	40,223	-
Swimming pool expenses	1,121	644
	160,504	115,159

9 Charitable activities (Continued)

Other costs relating to support and administration costs for schooling comprise:	2021	2020
	£	£
Stationery & printing	11,813	24,375
Postage	630	407
Telephone	14,241	14,315
Television, film & cameras	461	167
Legal & professional	117,768	47,764
Recruitment costs	25,759	541
Licences	9,572	5,338
Travelling & motor	4,228	6,628
Marketing & promotion	10,635	944
Maintenance of equipment	12,790	12,256
IT development & support	37,096	31,523
Bad debts	452	5,251
Miscellaneous	4,537	4,809
Subscriptions & licenses	12,557	5,666
	262,539	159,984

10 Governance costs

	2021	2020
	£	£
Audit fees	9,900	9,380
Accountancy	1,065	10,210
Payroll costs	3,465	3,181
Bank charges	782	1,441
Clerking costs	2,888	1,902
Loan interest	15,410	16,170
	33,510	42,284
Analysed to:		
Charitable activities	33,510	42,284

11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2021	2020
	£	£
Audit of the charitable company's annual accounts	9,900	9,380

12 Governors

None of the Governors (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

13 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	48	48

Employment costs	2021 £	2020 £
Wages and salaries	1,287,016	1,194,853
Social security costs	82,757	87,746
Other pension costs	167,186	157,595
	1,536,959	1,440,194

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2021 Number	2020 Number
£60,000 - £70,000	1	1

14 Tangible fixed assets

	Freehold land	Computer hardware & software	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2020	3,001,875	124,588	22,953	69,770	3,219,186
Additions	74,633	15,943	3,596	17,480	111,652
Disposals	-	-	-	(52,800)	(52,800)
At 31 August 2021	3,076,508	140,531	26,549	34,450	3,278,038
Depreciation and impairment					
At 1 September 2020	1,550,026	124,359	15,081	69,770	1,759,236
Depreciation charged in the year	48,566	210	1,186	441	50,403
Eliminated in respect of disposals	-	-	-	(52,800)	(52,800)
At 31 August 2021	1,598,592	124,569	16,267	17,411	1,756,839
Carrying amount					
At 31 August 2021	1,477,916	15,962	10,282	17,039	1,521,199
At 31 August 2020	1,451,849	229	7,872	-	1,459,950

15 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	921,778	231,882
Other debtors	822	-
Prepayments and accrued income	33,160	57,100
	955,760	288,982

16 Loans and overdrafts

	2021	2020
	£	£
Bank loans	460,000	460,000
Payable after one year	460,000	460,000

16 Loans and overdrafts **(Continued)**

The long-term loans are secured by fixed charges over the freehold property known as Northease Manor School together with funds held in the Debt Service Reserve Account.

The loan is repayable over a period of 25 years at an interest rate of 3.25% above the Bank of England base rate, with a break option after five years in November 2023. No capital repayments are due on the amount of the loan drawn down for 36 months following the initial draw down date.

17 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	23,619	21,961
Deferred income	911,107	702,737
Trade creditors	65,175	69,489
Other creditors	24,607	23,760
Accruals and deferred income	19,079	15,502
	1,043,587	833,449

18 Creditors: amounts falling due after more than one year

	Notes	2021	2020
		£	£
Bank loans	16	460,000	460,000

19 Retirement benefit schemes

Defined contribution schemes

The school operates two pension schemes for the benefit of employees. The Teachers' Pension Scheme (TPS), a defined benefit scheme, is available to all teachers. All other staff can enter a defined contributions scheme.

Defined contribution

The assets of the scheme are held separately from those of the School in an independently administered fund. Contributions to the scheme are charges to the Statement of Financial Activities as they fall due. Contributions payable by the charitable company in the year amounted to £8,081 (2020 - £8,122).

The company also operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. Contributions totalling £nil (2020 - £nil) were payable to the fund at the year end and are included in creditors.

19 Retirement benefit schemes **(Continued)**

Teachers' Pension Scheme

Introduction
The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in schools and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme
Not less than every four years 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. 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 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. 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
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- 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 is 4.45%.

The employer's pension costs paid to TPS in the period amounted to £159,106 (2020 - £149,472).

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

20 Restricted funds

The income funds of the charitable company include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 September 2019	Incoming resources	Resources expended	Balance at 1 September 2020	Incoming resources	Resources expended	Balance at 31 August 2021
	£	£	£	£	£	£	£
Sensory garden	-	2,780	(86)	2,694	-	(2,694)	-
Sensory equipment	24	-	(24)	-	-	-	-
Sunken Trampoline	35	-	-	35	-	(35)	-
Enterprise	220	780	(220)	780	-	(780)	-
Sponsored Dog Fund	-	1,935	(857)	1,078	-	(1,078)	-
David Wood Pianola Fund	3,337	-	-	3,337	2,531	-	5,868
Swimming Pool	-	200	-	200	51	-	251
Wooden Spoon Swimming Pool	-	10,362	-	10,362	-	(10,362)	-
Sussex Police	-	-	-	-	500	(500)	-
Lions	-	-	-	-	3,500	(3,500)	-
	3,616	16,057	(1,187)	18,486	6,582	(18,949)	6,119

The Sensory Garden Fund has been set up to provide resources for the outside classroom and sensory garden.

The Sensory Equipment and Sunken Trampoline Fund has been set up to provide sensory items for the students.

The Enterprise Fund has been set up to provide resources to the school.

The Sponsored Dog Fund has been set up to fund items for the students for extracurricular sessions.

The David Wood Pianola Fund relates to donations received from Mr David Wood OBE towards the cost of the restoration and delivery of a vintage pianola by David Dibley. Part-payment for David Dibley's services was made in the year to 31 August 2018 and is included in fixed assets.

The Swimming Pool fund has been set up to provide equipment for the swimming pool.

The Wooden Spoon Swimming Pool fund relates to a successful bid by the school for funding for the repair of our outdoor swimming pool.

The Sussex Police Fund has been set up to provide CCTV equipment as extra security for the school.

The Lions Club Fund has been set up to provide students with ICT equipment.

21 Designated funds

The income funds of the charitable company include the following designated funds which have been set aside out of unrestricted funds by the governors for specific purposes:

	Balance at 1 September 2019	Resources expended	Transfers	Balance at 1 September 2020	Resources expended	Transfers	Balance at 31 August 2021
	£	£	£	£	£	£	£
Fixed Asset Fund	1,460,092	(47,573)	29,968	1,442,487	(48,566)	83,995	1,477,916
	1,460,092	(47,573)	29,968	1,442,487	(48,566)	83,995	1,477,916

The Fixed Asset Fund has been established to reflect the charitable company's investment in its freehold property assets. A transfer is made each year from the general fund to reflect any additions paid by general funds and also disposals made in the year. The transfer to the general fund during 2021 totalled £83,995 (2020 - £29,968).

22 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	2021	2021	2021	2021
	£	£	£	£
Fund balances at 31 August 2021 are represented by:				
Tangible assets	43,283	1,477,916	-	1,521,199
Current assets/(liabilities)	298,759	-	6,119	304,878
Long term liabilities	(460,000)	-	-	(460,000)
	(117,958)	1,477,916	6,119	1,366,077

	Unrestricted funds	Designated funds	Restricted funds	Total
	2020	2020	2020	2020
	£	£	£	£
Fund balances at 31 August 2020 are represented by:				
Tangible assets	7,101	1,442,487	10,362	1,459,950
Current assets/(liabilities)	290,385	-	8,124	298,509
Long term liabilities	(460,000)	-	-	(460,000)
	(162,514)	1,442,487	18,486	1,298,459

23 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	3,418	-
Between two and five years	12,327	3,418
	15,745	3,418

24 Capital commitments

	2021	2020
	£	£
At 31 August 2021 the charitable company had capital commitments as follows:		
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	46,645	-

25 Related party transactions

Remuneration of key management personnel

Key management personnel received remuneration, which includes employers NI, and employer pension contributions, as follows:

	2021	2020
	£	£
Aggregate compensation	204,190	186,406

26 Cash generated from operations

	2021	2020
	£	£
Surplus for the year	67,618	50,411
Adjustments for:		
Investment income recognised in statement of financial activities	(35)	(111)
Gain on disposal of tangible fixed assets	(2,050)	-
Depreciation and impairment of tangible fixed assets	50,403	54,984
Movements in working capital:		
(Increase)/decrease in debtors	(666,778)	210,437
Increase in creditors	1,768	11,470
Increase in deferred income	208,370	172,321
Cash (absorbed by)/generated from operations	(340,704)	499,512

27 Analysis of changes in net debt

	At 1 September 2020	Cash flows	At 31 August 2021
	£	£	£
Cash at bank and in hand	842,976	(450,271)	392,705
Loans falling due after more than one year	(460,000)	-	(460,000)
	382,976	(450,271)	(67,295)