

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

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

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# NORTHEASE MANOR SCHOOL LIMITED

## CONTENTS

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	Page
Governors' report	1 - 8
Statement of Governors' responsibilities	9
Independent auditor's report	10 - 12
Statement of financial activities	13 - 14
Balance sheet	15
Statement of cash flows	16
Notes to the financial statements	17 - 35

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# **NORTHEASE MANOR SCHOOL LIMITED**

## **GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT)**

### ***FOR THE YEAR ENDED 31 AUGUST 2022***

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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



# **NORTHEASE MANOR SCHOOL LIMITED**

## **GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** **FOR THE YEAR ENDED 31 AUGUST 2022**

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### **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**

Northeast 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 Northeast 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 (Northeast) are providing and the therapeutic support is very well received'.

Northeast 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.

# **NORTHEASE MANOR SCHOOL LIMITED**

## **GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **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 Northeast 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 Northeast work with their teacher colleagues in partnership so that all students' needs are at the forefront of what the school does.

Northeast 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 Northeast; 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 Northeast, 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 Northeast students and staff can do with the local community, but the school is now reopening and developing links with local schools and businesses.

Northeast 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.



# NORTHEASE MANOR SCHOOL LIMITED

## GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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### 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.

# **NORTHEASE MANOR SCHOOL LIMITED**

## **GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **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.



# NORTHEASE MANOR SCHOOL LIMITED

## GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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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 MloD, 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.

# **NORTHEASE MANOR SCHOOL LIMITED**

## **GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **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.



# NORTHEASE MANOR SCHOOL LIMITED

## GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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### 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 MloD, MCIOF (Chair)

Chair

Date: 23<sup>rd</sup> March 2023

# **NORTHEASE MANOR SCHOOL LIMITED**

## **STATEMENT OF GOVERNORS' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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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

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#### 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.



# **NORTHEASE MANOR SCHOOL LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF NORTHEASE MANOR SCHOOL LIMITED**

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#### **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.

# NORTHEASE MANOR SCHOOL LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF NORTHEASE MANOR SCHOOL LIMITED

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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.



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

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

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

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

# NORTHEASE MANOR SCHOOL LIMITED

## BALANCE SHEET

AS AT 31 AUGUST 2022

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

The financial statements were approved by the Governors on 23<sup>rd</sup> March 2023



Mrs J. Toben MloD, MCIOF (Chair)  
Trustee

Company registration number 01078648

# NORTHEASE MANOR SCHOOL LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	28		533,490		(340,704)
<b>Investing activities</b>					
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	
<b>Net cash used in investing activities</b>			(101,047)		(109,567)
<b>Financing activities</b>					
Repayment of bank loans		(9,135)		-	
<b>Net cash used in financing activities</b>			(9,135)		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			423,308		(450,271)
Cash and cash equivalents at beginning of year			392,705		842,976
<b>Cash and cash equivalents at end of year</b>			816,013		392,705

# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies

##### Charity information

Northeast 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.



# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 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.

# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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### 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.



# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 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)
	<u>2,583,162</u>	<u>22,094</u>	<u>2,605,256</u>	<u>1,992,050</u>	<u>47,186</u>	<u>2,039,236</u>

# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 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	-

# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 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
	<u>1,562,614</u>	<u>165,038</u>	<u>509,572</u>	<u>239,704</u>	<u>2,476,928</u>	<u>2,052,499</u>
Share of governance costs (see note 11)	34,417	-	-	-	34,417	33,510
	<u>1,597,031</u>	<u>165,038</u>	<u>509,572</u>	<u>239,704</u>	<u>2,511,345</u>	<u>2,086,009</u>
<b>Analysis by fund</b>						
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
	<u>1,597,031</u>	<u>165,038</u>	<u>509,572</u>	<u>239,704</u>	<u>2,511,345</u>	<u>2,086,009</u>

# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 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
	<u>1,235,756</u>	<u>162,685</u>	<u>444,988</u>	<u>209,070</u>	<u>2,052,499</u>
Share of governance costs (see note 11)	33,510	-	-	-	33,510
	<u>1,269,266</u>	<u>162,685</u>	<u>444,988</u>	<u>209,070</u>	<u>2,086,009</u>
<b>Analysis by fund</b>					
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
	<u>1,269,266</u>	<u>162,685</u>	<u>444,988</u>	<u>209,070</u>	<u>2,086,009</u>

### 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	-
	<u>47,028</u>	<u>17,956</u>

# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 10 Charitable activities - other costs

(Continued)

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

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
	<u>189,308</u>	<u>160,504</u>

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
	<u>246,731</u>	<u>262,539</u>



# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 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
	<u>34,417</u>	<u>33,510</u>
Analysed between Charitable activities	<u>34,417</u>	<u>33,510</u>

### 12 Auditor's remuneration

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

### 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 Number	2021 Number
	<u>56</u>	<u>48</u>
<b>Employment costs</b>	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	1,556,605	1,287,016
Social security costs	129,018	82,757
Other pension costs	202,591	167,186
	<u>1,888,214</u>	<u>1,536,959</u>



# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 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 £
<b>Cost</b>					
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
<b>Depreciation and impairment</b>					
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
<b>Carrying amount</b>					
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

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

# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 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:

# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 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.

# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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### 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.



# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 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:

	Balance at 1 September 2020 £	Movement in funds			Balance at 1 September 2021 £	Movement in funds			Balance at 31 August 2022 £
		Incoming resources £	Resources expended £			Incoming resources £	Resources expended £	Transfers £	
Sensory Garden	2,694	-	(2,694)		-	-	-	-	-
Sunken Trampoline	35	-	(35)		-	-	-	-	-
Enterprise	780	-	(780)		-	-	-	-	-
Sponsored Dog Fund	1,078	-	(1,078)		-	-	-	-	-
David Wood Planola 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

# **NORTHEASE MANOR SCHOOL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

#### **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.

# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 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
	<u>1,442,487</u>	<u>(48,566)</u>	<u>83,995</u>	<u>1,477,916</u>	<u>(50,396)</u>	<u>88,896</u>	<u>1,516,416</u>

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).



# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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)
	<u>39,773</u>	<u>1,516,416</u>	<u>783</u>	<u>1,556,972</u>	<u>(117,958)</u>	<u>1,477,916</u>	<u>6,119</u>	<u>1,366,077</u>

# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 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
	<u>9,400</u>	<u>12,818</u>

### 26 Capital commitments

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

2022 £	2021 £
-	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	<u>334,760</u>	<u>204,190</u>

# NORTHEASE MANOR SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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
	Loans falling due within one year	-	(50,000)
	Loans falling due after more than one year	(460,000)	(400,865)
		(67,295)	365,148