

# BENENDEN SCHOOL (KENT) LIMITED

England & Wales · Charity number 307854

## Details

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**Other names** BENENDEN SCHOOL

**Status** Registered

**Legal form** Charitable company

**Company number** [00196353](#)

**Registered** 1963-02-07

**Register** [View on the Charity Commission register](#)

## Contact

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**Website** [www.benenden.kent.sch.uk](http://www.benenden.kent.sch.uk)

## Activities

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**Objects:** TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF THE EDUCATION OF GIRLS.

**Activities:** Independent School for Girls

## Classification

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- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People

## Geography

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- Kent

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£27,772,000	£28,029,000	£56,821,000	411
2023-07-31	£25,206,000	£24,112,000	£56,696,000	391
2022-07-31	£23,293,000	£21,507,000	£55,157,000	386
2021-07-31	£22,981,554	£20,591,625	£53,502,532	390
2020-07-31	£21,615,000	£19,525,000	£50,275,000	394

## Trustees

Name	Role	Appointed
<b>Anne Elizabeth McNab</b>	Chair	2016-06-09
Alison Jane Clarke		2014-11-20
Annabel Caton		2023-02-18
Clare Louis Thomas		2022-04-25
Damian McBeath		2021-12-13
Deborah Coslett		2020-09-01
Dr FIONA CORNISH		2013-11-21
Duncan James McNab		2024-05-09
Fiona Jane Blakemore		2020-12-03
Helen Taylor		2023-06-15
JONATHAN PEARCE		2018-12-05
Joseph John Christopher Lewis		2025-11-01
PAUL SIMPKIN		2017-11-01
Patrick Antony Jean Charles Marshall		2021-03-17

## Linked charities

- BENENDEN SCHOOL GENERAL CHARITABLE TRUST (307854-1)
- BARBARA FINDLEY SCHOLARSHIP (307854-2)
- HILARY MARSHALL SCHOLARSHIP (307854-3)
- JESSAMY JAMES PRIZE FUND (307854-4)

**BENENDEN SCHOOL (KENT) LIMITED**

England & Wales - Charity number 307854

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# Accounts

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BENENDEN

Benenden School (Kent) Limited  
Financial Statements for the period ended 31  
August 2024

Company Number 0196353

Charity Number 307854

**BENENDEN SCHOOL (KENT) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2024**  
Registered Company No: 0196353  
Charity No: 307854

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# Governing Council's Report

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## Objects and Aims

The principal objects of the Company are to promote and provide for the advancement of the education of school age students, and to hold lectures, exhibitions, concerts, public meetings, classes, conferences, and other activities calculated directly or indirectly to advance the cause of education.

## Benenden School's Aims for its Students

Benenden School is an expert in educating young women. Above all, we want our students – whether, boarders or day students – to relish all that life in a boarding school has to offer, to enjoy their learning, develop intellectual curiosity and be ambitious, while learning to achieve balance in their lives.

In all that we do at Benenden, we foster the need to value oneself and others. In so doing, we expect each pupil to be a responsible and considerate citizen and we support her to grow into a confident, positive young woman who will play an active part in society.

By emphasising the importance of spiritual and personal growth, we help our pupils to develop self-knowledge, to become outward looking, courageous and compassionate, so that they will be inspired to make a difference both to our school community and throughout their lives for the benefit of others.

## Vision

Inspiring future thinkers and leaders to shape a better world.

## Mission

Through our Complete Education, we:

- Create a culture of intellectual curiosity
- Ignite a passion for creativity and innovation
- Nurture the value of community, and
- Inspire each individual to make a difference

This mission is underpinned by our values of confidence, compassion, courage and courtesy.

## Objectives

The Directors confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Company. Ensuring best practice across the board is a priority and the School continues to develop its policies and procedures for monitoring and evaluating this.

Members of Governing Council confirm that they have complied with their duty as directors, to have regard to the matters in section 172(1) of the Companies Act 2006. This duty is to act in good faith, to promote the success of the School whilst having regard to:

- the likely consequences of any decisions in the long term;
- the interests of the School's employees;
- the need to foster business relationships with suppliers, customers and others;
- the impact of the School's operations on the community and the environment;
- the desirability of maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the charitable company.

The Governing Council has promoted the success of the School by acting in good faith to assist the School to meet its aims and objectives. During the course of the year the Governing Council and the Senior Management Team have considered how Benenden can best move forward into its next century. Operational, financial and strategic challenges continue around managing increased inflation and costs, balancing capital projects and planning for the implication of VAT on fees. Whilst these have had an impact on the operations and financial position of the School and will continue to do so for the foreseeable future, Governing Council is satisfied that the School remains both operationally and financially in a stable and secure position and the strategic review will ensure that the School continues to excel in all areas. Further details can be found in the Financial Review and Principal Risks and Uncertainties.

## The School Year 2023/24

As it approached its Centenary year – marked across the 2023-24 academic year – Benenden School reviewed its aims and values. It re-committed its ambition of offering A Complete Education to all its students, with a revised model underpinning this core philosophy. The School strives to ensure girls leave Future Ready, having nurtured skills and interests in the following fields:

- Creativity and Culture
- Service and Responsibility
- Global Outlook
- Personal Development
- Innovation and Enterprise.

Benenden develops students in these areas through three key channels: an innovative academic curriculum, outstanding co-curricular opportunities, and an all-encompassing commitment to students' wellbeing, all of which are tied together by the warmth and support of the Benenden community.

### **Celebrating a Century of Success**

Throughout the 2023/24 academic year Benenden celebrated 100 years at the forefront of British education. The milestone was marked with numerous events and initiatives, beginning with a spectacular launch event combining music, poetry, art and fireworks.

In September, The Inspiring Future Female Leaders conference brought together students from more than 60 schools across the UK with hundreds more worldwide joining remotely. The conference lineup comprised a string of exceptional female trailblazers from a wide range of industries, with the closing keynote address delivered by the Patron of the Benenden Society, HRH The Princess Royal.

Benenden celebrated its close connections to Hong Kong with a range of events during the October Half Term, ahead of the second conference of the year: Benenden's first Women and Wellness conference, at which students and visitors from local partner schools enjoyed a series of talks, including from TV personality Davina McCall, on women's health and wellbeing, touching on finance, digital safety and the menopause.

A new student-led exhibition went on display in February, showcasing a century-long relationship between the village of Benenden and Benenden School.

In March, the whole School community visited London's biggest West End theatre for an historic Centenary performance of Joseph and the Amazing Technicolor Dreamcoat in March, with Benenden becoming the first school to ever perform at the venue.

The performance was made possible through a partnership with the Coliseum-resident English National Opera, which later hosted a series of workshops for students from Benenden and partner primary and prep schools. Participants went on to perform pieces from Mozart's The Marriage of Figaro and The Magic Flute to delighted parents.

Later in March, HRH The Princess Royal joined students, staff, parents, Seniors and guests for a special service at Canterbury Cathedral.

Centenary celebrations concluded with the Benenden Pageant, an outdoor multi-media performance which depicted the history of the School and which revived a tradition last held in 1969.

Other initiatives throughout the year included the whole School completing 100 Acts of Kindness and the production of a commemorative book celebrating 100 individuals who embody the ethos of Benenden, while special suppers were hosted for parents by the Headmistress throughout the year, and Headmistresses past and present joined Head Girls and School Captains from down the years for a celebration lunch.

### **GCSE and A Level Results**

The 2023-24 academic year culminated with some outstanding results in the public exams. At A Level, 71% of all grades were at A\*/A, while 93% were at A\*-B. This was among the School's strongest ever performance and resulted in 90% of the cohort reaching their first choice of higher education destination, with 26% of the year group now studying at World Top 10 universities and colleges.

The impressive value-added performance – adding, on average, more than half a grade to each student during her time in Benenden's Sixth Form – placed Benenden in the top 7% of all UK schools on this measure.

The GCSE results were similarly impressive, with 42% of grades at the top grade, Level 9, and overall, 84% of results at Levels 9-7.

### **Other Highlights**

Other highlights of the 2023/24 year included the following:

- Benenden was delighted to once again feature on the Spear's Schools Index, listed as one of the world's 100 leading private schools and categorised among the 25 best UK senior schools.

- Benenden's first international school, Benenden Bilingual School Guangzhou (BBSG), opened for students in its inaugural academic year in September 2023.
- Six One student Claudia was included in the Women of the World Foundation's Young Leaders Directory, following her highly proactive mental health advocacy and her role as the youngest person ever to be appointed to Amnesty International's Children's Human Rights Network, chairing its subgroup on mental health provision since 2022.
- Benenden's Centenary Buildings were shortlisted in the RIBA South East Awards 2024.
- Upper Fifth student Alina had a successful turn in the Harvard International Review Academic Writing contest, earning a highly impressive silver medal place.
- Students in the Fourth and Upper Fourth delighted audiences with their annual Junior Play, this year performing Kevin M. Cunningham's stage adaptation of Little Women.
- Benenden and Tonbridge School's Chapel Choirs united for an awe-inspiring rendition of Fauré's Requiem as part of a special service for Remembrance Sunday.
- Lime Avenue Jazz, who delighted audiences at the Centenary launch event, performed for their families at one of Europe's busiest Jazz venues of the last 45 years, the famous 606 Club.
- The Symphony Orchestra's winter concert included a varied programme that ranged from evocative music by Rameau to Bernstein's iconic West Side Story, before concluding with the world premiere of Watching the World Awaken by Benenden Senior, Grace Young.
- Sporting successes included:
  - Medals at Canada Cup and Canada Challenge Ski Competitions
  - Medals at British School Girls Skiing Championships in Flaine, France
  - County Medals in Trampolining
  - Commonwealth Fencing Championships qualification
  - Medals at Kent Dressage Championships
  - Kent Schools' Cross-Country Championships
  - Winners of South Schools' Lacrosse Tournament
  - Lacrosse National Challenge Cup qualification
  - National Schools' Lacrosse Championships qualification
  - Sisters n Sport National Netball Club Cup qualification
  - Kent Netball Finalists
- Visiting speakers included:
  - Sandra Cauffman, Deputy Director for the Astrophysics Division in the Science Mission Directorate (SMD) at NASA Headquarters
  - President of the China-United States Exchange Foundation and WHO Goodwill Ambassador James Chau
  - Author and academic Katherine Rundell
  - Thomas Grant KC
  - Nusrat Ghani MP, Minister of State for Industry and Economic Security at the Department of Business and Trade
  - Philip Hall OBE, who works for the Foreign and Commonwealth Office as Ambassador to the Hashemite Kingdom of Jordan.
- Overseas trips included:
  - a Spanish language trip to Malaga
  - a French trip to Paris
  - Classicists visiting Rome and Pompeii
  - The Upper Fourths and Lower Fifths enjoyed separate trips to Belgium as part of the Summer Term's Activities Week, exploring the topics of space and wartime battlefields respectively.

Overall, the success of 2023-24 was a fitting way to mark such a significant year in Benenden's history. It also acted as an appropriately positive way of saying farewell and thank you to Samantha Price, who moved on to another school after a decade as Benenden Headmistress, leaving the School in a strong position for her successor, Rachel Bailey, to build further on this success.

### **Public Benefit**

The Governing Council recognise the duty imposed upon them by Section 17 of the Charities Act 2011 and the requirement to have due regard to the general guidance provided by the Charity Commission in connection with Public Benefit.

During the year, the Partnerships Programme has continued to support local organisations including primary and secondary schools, libraries and care homes. Led by Benenden, the Wealden Hub is a group of local

schools which shares resources, support and training. We also continued to work closely with the John Wallis Church of England Academy, including through our joint Combined Cadet Force. As detailed above, we invited our partner organisations to join us for a number of our Centenary celebrations.

Benenden continued to support a number of families through the provision of means-tested bursaries during the year (see note 2).

### **Staff**

Attracting and developing excellent teachers remains a priority for the School. Working with other local schools we continue to offer a comprehensive graduate teacher training programme and an integrated professional development programme for teaching staff to support their progression to middle and senior leadership positions. This supports the development of outstanding teaching and leaders both at Benenden and within the wider profession. Career development for support staff also remains a focus with training provided both within the School and via attendance on a broad range of external courses. We also make active use of the Apprenticeship Levy funding to help develop colleagues in a range of roles.

The Staff Wellbeing Committee, with representatives from a wide range of roles within the School gives colleagues an opportunity to discuss any aspect of the School. There is a weekly staff meeting that all colleagues can attend in person or remotely, either live or recorded, in which a broad range of matters are discussed. The Headmistress had a 'surgery' time on Wednesday mornings when any member of staff can drop in to discuss any concerns they may have and other members of the Senior Management Team and the People Services department have an open door policy and staff are encouraged to come and see them.

Benenden School is committed to securing equality of opportunity through the creation of an environment in which everyone is treated as an individual. By respecting and valuing diversity we can maximise our impact through meeting individual needs and staying in touch with the changing societies in which we work.

### **Plans for Future Periods**

The Benenden community is delighted to welcome Ms Rachel Bailey as Headmistress from September 2024 and looks forward to seeing the School go from strength to strength under her leadership in the years to come.

The School remains committed to continuing the refurbishment of the Lower School boarding houses and has facilitated this through the creation of a small construction projects team which will be able to continue the programme at lower cost and with greater flexibility than using external contractors. The programme for 2024-25 will focus on boarding room upgrades in Guldeford and Norris houses. Plans continue for the restoration of the roof to Hemsted and parts of Norris, which will be a significant undertaking. Depending on obtaining the required consents, it is hoped that work will start on the roof in the Summer of 2025.

The Centenary Campaign continues into 2024-25, focussing on both raising funds for the Hemsted House roof replacement, modernisation of sports facilities and the continuation of the Be the Change campaign, raising funds for our important bursary support.

Hemsted Park aims to maximise the use of the extensive performing arts spaces within the School, including the Centenary Buildings and the Theatre, by hosting a range of performing arts events aimed at the local community. Performances to date have included the Ronnie Scott's Jazz Club and Goldilocks the Ballet. Next year's scheduled highlights include Sheku Kanneh-Mason and celebrating International Women's Day, a Conversation with Davina McCall. It is hoped that the performance schedule will continue to grow to several seasons per year, widening access to our site and facilities to the local community whilst providing additional funds to support the operation of the extensive new facilities.

With the change in Government and announcements at the end of July 2024, the school entered a period of rapid planning to facilitate the introduction of VAT applicable from the Spring Term of 2025.

Benenden International Limited (BIL), a wholly owned subsidiary of Benenden School (Kent) Limited has continued to act on behalf of the School to facilitate access to the international school market and take advantage of other potential options for business diversification as and when suitable opportunities arise. BIL's primary purpose remains to provide an additional income stream for the School. The first international school in Guangzhou, China opened on 1 September 2023. The school, Benenden Bilingual School Guangzhou (BBSG), is the first of the Benenden international schools to be established within the region via a partnership with Chow Tai Fook Education Group (CTFEG), a Hong Kong-based educational group. During its first year in operation, the staff of BIL have worked closely alongside the BBSG team to establish and develop the educational and operation models for the school. The first year was very successful, with a strong second year of recruitment for the 2024-25 year in which the schools are planning the first of the planned pupil exchanges between the schools.

## Financial Review

The financial aims of the Governing Council include generating sufficient income to ensure the School is in a sound financial position. Sufficient surplus is required to enable the ongoing maintenance and investment in the School estate and to ensure that an appropriate level of reserves are held. On a regular basis, the Finance Committee carefully reviews the financial results and forecasts of the School, which includes detailed scrutiny of cashflows on a short and longer term basis, the level of borrowings and capital expenditure. The outcome of these reviews is reported to and considered by the Governing Council.

The Governing Council took the decision during the year to extend the accounting period to 13 months to bring the financial year into line with the academic year. The period covered by these financial statements therefore runs from 1 August 2023 to 31 August 2024. During August, the school generated little income but bore a full month of employment costs of approximately £1.26m and site works of £0.2m.

Income (excluding donations) increased from £24.6 million to £27 million primarily due to an increase in fees receivable resulting from a rise in termly fees.

Expenditure for the period increased from £24.2 million (12 month period) to £27.8 million (13 month period) primarily as a result of increased inflationary pressures and the additional month in the reporting period. The surplus achieved of £0.1 million, including gifts, grants and donations, investment gains and trading income, enables the School to invest both for the future by way of capital projects and in its bursary programme. Significant borrowings have been undertaken for the development of the Centenary Buildings and adequate surpluses are required to ensure that this debt is serviced.

	2024	2023
Student numbers (average)	543	545
Fee concessions as a percentage of gross fees	8.17%	7.80%
Direct teaching costs as a percentage of gross fees	32.96%	31.3%
Increase in school fees	8.95%	6.50%

The financial results incorporate those of LASS Limited and Benenden International Limited. During the year LASS continued as the main trading arm of the School with the principal activity being the operation of the retail shop at the School. The shop stocks school uniform, stationery, sports equipment and pharmacy products for sale to the School community.

## Reserves

At 31 August 2024, the School had unrestricted funds of £51.1 million, of which £0.1 million were designated, and restricted funds totalling £5.7 million. The Governing Council has a long-standing policy to use revenue surpluses and borrowings as appropriate to improve the overall educational service and facilities provided by the School. It is the intention of the Governing Council that this policy of developing and improving the School be continued and any unrestricted surpluses will be used for this purpose.

Governing Council continues to review the current asset position of the School to ensure that it has sufficient working capital to meet its obligations, having regard to the seasonal flow of income. The School anticipates that its ongoing activities will allow it to build a modest level of reserves to support an ongoing programme of development and improvements and to provide bursaries. The Directors regard 'free' reserves as being the reserves of the School after deducting fixed assets and any funds held as restricted or designated. On the basis described, there is a deficit of free reserves of £11.9 million (2023: £16.3 million). Similar to many other independent schools, the School has invested heavily in fixed assets which has resulted in this deficit.

During the year, the formerly designated Clark Will Fund was released to support the reduction in the loan taken out to fund the Centenary Hall.

## Advance Fees

The School operates an unsecured Fees in Advance (FIA) Scheme for the benefit of parents.

## Teachers' Pension Scheme

Following the considerable increases in cost to the School in relation to the Teacher's Pension Scheme (TPS) in recent years Governing Council elected to close membership of the Scheme to new teaching staff joining Benenden from September 2022. An alternative Defined Contribution pension and benefit scheme has been offered to teaching colleagues joining Benenden from September 2022. Following a thorough statutory consultation process with TPS members, which commenced in October 2022 an agreement was reached with staff whereby they have the option to remain in the TPS, but at a capped cost to the School, or alternatively move to the new Defined Contribution scheme. This took effect from January 2024 and as such has protected the School against future increases in the TPS employer contribution rate.

### Fundraising Practices

Fundraising is conducted through the School's Development Office. The principal aims for the year was the bursary fundraising initiative to significantly increase the charitable funding available for means-tested full bursaries and fundraising towards the refurbishment of certain boarding houses and the Hemsted roof. Benenden Connects – the School's online portal, which brings Seniors, Parents, Friends, Staff and Sixth Formers together, has continued to grow in popularity.

The School complies with the Fundraising Regulator's code of practice and there are no matters to report of the School failing to comply with fundraising standards. The School received no complaints about its fundraising activity in the year.

### Energy and carbon statement

The School engaged its utility consultants, Professional Energy Services, to review its greenhouse gas emissions and energy use data to compile a report to meet the SECR reporting requirements. The report was produced using interval meter data, full year billing data, travel expense claims, fuel cards and onsite vehicle fuel data. The table below summarises the energy use in the year relating to electricity, gas combustion and transport.

	<b>2024</b>	<b>2023</b>
Electricity use	1,773,959 kWh	1,761,796 kWh
Gas combustion	4,683,556 kWh	5,283,515 kWh
Transport	171,779 kWh	134,622 kWh
Total	6,629,294 kWh	7,179,933 kWh

The greenhouse gas emissions associated with the energy use identified in the table above are as follows:

	<b>2024</b>	<b>2023</b>
Electricity use	367.3 tCO <sub>2</sub> e	364.8 tCO <sub>2</sub> e
Gas combustion	864.1 tCO <sub>2</sub> e	966.5 tCO <sub>2</sub> e
Transport	31.5 tCO <sub>2</sub> e	33.5 tCO <sub>2</sub> e
Total	1,262.9 tCO <sub>2</sub> e	1,364.8 tCO <sub>2</sub> e

The index used for these calculations are student numbers.

The intensity ratio for Benenden School is 2.33 tCO<sub>2</sub>e (2023: 2.48 tCO<sub>2</sub>e) per student for the reporting year, based on 543 students (2023: 545 students).

The methodologies used in the identification and calculation of the provided information followed the processes described in the GHG Reporting Protocol – Corporate Standard. GHG Conversion Factors for electricity, gas and transport were taken from the UK Government GHG Conversion Factors for Company Reporting 2023.

In the period to 31 August 2024, Benenden School has replaced a further four boilers, replaced in excess of 50 rooms with LED lights and changed approximately 20 external lights to LED.

### Investment Policy

Governing Council is empowered within the Memorandum and Articles of Association to invest any monies as authorised by law and for the investment of trust monies in a manner it thinks fit. All investments have been acquired in accordance with the powers available to the Governing Council. The investment committee advise on the investment of school funds. The investment portfolio is managed on a discretionary basis by Sarasin & Partners. As a measure of performance, the long-term return target has been set at UK inflation (CPI) +4% over a 5 year rolling basis. For the 13 months to August 2024, the portfolio returned 10% against a benchmark of 9.7%,

### **Principal Risks and Uncertainties**

The Directors continue to keep the School's activities under review and monitor performance.

### Evaluation of Risk

The Risk Committee and the School Senior Management Team are heavily involved in assessing both the operational and strategic risks to the School. The School Risk Register is regularly reviewed, at least bi-annually, and kept up to date by the Senior Management Team. Risks are then reviewed by the Risk Committee, a sub-committee of the School's Governing Council. In addition to reviewing the risks to the School from the executive team's perspective, the Risk Committee has a specific remit to examine and assess the possible impact of risks to the School from external sources. The Risk Committee meets twice per year or more frequently if required.

A separate group may be established to respond to a particular risk, with the most recent example being the now disbanded Coronavirus Response Group. The minutes of the Risk Committee and any specific focus groups are presented at the following Governing Council meeting. The Risk Register and the recommendations of the Risk Committee are reviewed at least annually by Governing Council and more frequently as required.

#### Strategic Planning

The School Strategic Plan, that is written by the Senior Management Team, and the School Development Plan that is derived from this, are reviewed at least annually to ensure that they are fit for purpose. The Senior Management Team and Governing Council are progressing a wider strategic review as Benenden moves beyond its Centenary. Governing Council meets, at least annually, with the Senior Management Team, for a wider strategy day.

Major strategic decisions are fully discussed and ratified by Governing Council. This process ensures that all projects are assessed for risk and are not entered into without appropriate due diligence. Both financial and operational reporting is embedded within the working patterns of the School. Key Performance Indicators are used at all levels to aid with the process of identifying risks. Once identified, the Senior Management Team and Governing Council will together make decisions to appropriately mitigate or accept those risks, calling upon professional expertise from external agencies if appropriate.

#### Financial Planning

The Finance Committee, in conjunction with the Director of Finance and Operations and Finance Bursar, are tasked with the development of financial models covering a range of eventualities as circumstances dictate. These models are tested on a regular basis.

#### Maintenance of educational quality

Educational excellence is at the heart of the School and the Senior Management Team is responsible for ensuring that this and the 'Complete Education' programme are reflected in the School's Strategic Development Plan. The Senior Management Team closely monitor the delivery of the educational offering in the academic, pastoral and co-curricular areas of the School. The School's success at achieving its educational aims and delivering its ethos is evaluated by both the Independent Schools Inspectorate and Governing Council supported by the Education and Safeguarding Committees. Teaching standards are constantly under review within the School with the process being co-ordinated by the Senior Management Team. Student performance is regularly monitored with actions being taken to ensure that any issues are addressed. All staff benefit from an appraisal system to ensure that standards remain high. Training is available to keep all staff up to date with best practice. Following a review of the timetable an exciting range of Electives was introduced to the curriculum in September 2022. Taught by a range of Benenden staff the Electives cover a broad range of topics from outside the core curriculum, including sign language, journalism and local politics.

#### Ensuring safeguarding of students

The Governing Council reviews and approves the School policies relating to safeguarding on a regular, and at least annual, basis via the School Safeguarding sub-committee ensuring they are fit for purpose, are compliant and that they reflect School practice. The School Safeguarding sub-committee reports to the Governing Council on an annual basis with regular updates being provided when required. All staff are trained in safeguarding upon arrival and throughout their time at the School on an annual basis with regular updates throughout the year.

#### Health and Safety

Health and Safety at the School is managed via the Health and Safety Committee which in turn reports to the Estates Committee. A risk assessment and management process is in place throughout the School with regular reporting via the Estates Committee to Governing Council. The School has an independent external Health and Safety audit at least once in every three yearly cycle.

#### Major Risks

The Directors consider that the major risks to which the School is currently exposed are:

1. **Economic and Political Risk.** The School has a robust system for assessing the effects of changes in political and economic factors that may affect the operation of the School in the short, medium and longer term. Specific risk in this category are:
  - a. **Introduction of VAT on independent school fees and loss of business rate relief by independent schools.** These significant risks to the School became a reality following the change in Government in July 2024. The School is managing this risk through careful financial planning and ensuring that cost efficiencies and opportunities to generate additional non-fee income are identified wherever possible.

- b. **Wider economic environment.** The increased costs of living from higher inflation and interest rates adversely affects the affordability of the School within its market which ultimately could risk student numbers and retention. The School is actively managing costs in all areas.
- c. **Geographical financial dependence.** A priority for the School is to ensure that students from all parts of the globe are able to join the School community. Financially, the Governing Council and Senior Management Team work to ensure that the risk for the School, due to the possibility of becoming dependent on one single market, is mitigated as far as possible. The introduction of day pupils has helped to increase the number of local pupils attending the school.
- d. **Changes to the educational regulatory environment in China.** The School has entered into an agreement with a Hong Kong-based education partner to develop five bi-lingual schools within China. Subsequent to the agreements being made, the Chinese government imposed substantial changes to the legislation affecting the operation of bi-lingual schools in the region. The majority of the changes had already been anticipated by the School as part of the agreement process; however the School continues to closely monitor the situation, via its international trading subsidiary Benenden International Limited, to ensure any risks to the future operations of the schools are mitigated.

## 2. **Cyber Security**

Cyber security risks remain high with the School being alert to the risk of a cyber-attack and the risk of failure of IT security procedures. All staff are regularly trained to be aware of cyber risks. Appropriate security measures, which include external testing of IT security systems are undertaken on a regular basis.

### **Reference and Administrative Details**

Benenden School (Kent) Limited is a limited company with charitable status. The Directors of the company, who are the Trustees of the charity, are the members of the Governing Council of Benenden School. The School's directors, advisers and key staff are set out on pages 37 - 39.

### **Structure, Governance and Management**

The Company was constituted on 13 March 1924. The Memorandum and Articles of Association have been amended over the years, with the latest amendment on 7 December 2018. The Company was granted Charitable Status in 1941.

The Nominations Committee is responsible for the recruitment of Governing Council Members. Any prospective Governing Council Member must meet criteria set out by Governing Council including personal competence, specialist skills and availability. Nominations are discussed, and appointments made at Governing Council meetings. A comprehensive induction for newly appointed Governing Council Members is organised by the Clerk to the Governing Council. Governing Council Members have access to AGBIS sponsored training workshops and other training as required.

The Governing Council Members determine the general policy of the School. Day to day management of the School is delegated to the Headmistress with the Senior Management Team of the School.

The Charity has two wholly-owned non-charitable subsidiaries, Lime Avenue Sales and Services Limited (LASS Ltd) and Benenden International Limited (BIL), whose activities and trading performance are discussed in note 4 to the accounts.

The Benenden School Hong Kong Trust (the HKT) is independent of the School and the Governing Council, and no School shareholders are members of the HKT. Its objectives are to promote and provide for the advancement of education.

### **Policies Adopted for Setting Remuneration of Key Management Personnel**

The Remuneration Committee reviews the pay and remuneration of all staff including the Senior Management Team as detailed on page 38. Consideration when setting pay is given to the role and responsibilities, competitor salaries in the region, average salary for comparable positions in the sector, market trends and sector benchmarking which has been supplemented by the employment of external experts to review both Senior Management Team and teacher pay scales.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors (who are also the trustees of the charitable company) are responsible for preparing the Report of the Governing Council and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

So far as each of the Directors is aware at the time the report is approved:

- a. there is no relevant audit information of which the charitable company and group's auditors are unaware; and
- b. the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **AUDITORS**

A resolution proposing the re-appointment of HaysMac LLP as auditors will be submitted to the Annual General Meeting.

Report of the Governing Council, incorporating a Strategic Report, approved by the members of Governing Council on 19 March 2025 and signed on its behalf by

.....

Mrs A McNab  
Chair

# Independent Auditor's Report to The Members of Benenden School (Kent) Limited

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## Opinion

We have audited the financial statements of Benenden School (Kent) Limited for the period ended 31 August 2024 which comprise Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement 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 group's and of the parent charitable company's affairs as at 31 August 2024 and of the group's and parent charitable company's net movement in funds, including the 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 group 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 directors' 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 group'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 directors with respect to going concern are described in the relevant sections of this report.

## Other information

The directors are responsible for the other information. The other information comprises the information included in the Governing Council's 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governing Council's Report (which includes the strategic report and 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 strategic report and the directors' report included within the Governing Council's Report have 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 group and the parent charitable company and its

environment obtained in the course of the audit, we have not identified material misstatements in the Governing Council's Report (which incorporates the strategic report and the directors' 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 by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on pages 10 and 11, the directors 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 directors 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 directors are responsible for assessing the group's and the parent 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 directors either intend to liquidate the group or the parent 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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to The Education (Independent School Standards) Regulations 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Companies Act 2006 and consider other factors such as payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management and review of Governing Council's meeting minutes and papers, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted at the year end; and
- Challenging assumptions and judgements made by management in their critical accounting 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 for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Tracey Young (Senior Statutory Auditor)  
For and on behalf of HaysMac LLP, Statutory Auditor  
10 Queen Street Place  
London  
EC4R 1AG

Date: 14 April 2025

**BENENDEN SCHOOL (KENT) LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE PERIOD ENDED 31 AUGUST 2024**

		Unrestricted Funds			13	Year
		General	Designated	Restricted	Month	Ended
		Funds	Funds	Funds	Period	2023
		£ '000	£ '000	£ '000	Ended	2023
					2024	£ '000
					£ '000	
<b>INCOME FROM:</b>						
<b>Charitable activities</b>						
School fees	2	23,915	-	-	23,915	21,909
Ancillary trading income	3	2,293	-	-	2,293	1,900
<b>Other trading activities</b>						
Trading company	4	495	-	-	495	380
<b>Investment income</b>	5	312	-	-	312	2
<b>Voluntary sources</b>						
Grants and donations	6	237	-	267	504	1,015
<b>Other income</b>		253	-	-	253	-
<b>Total Income</b>		<b>27,505</b>	<b>-</b>	<b>267</b>	<b>27,772</b>	<b>25,206</b>
<b>EXPENDITURE ON:</b>						
<b>Raising funds</b>						
Trading costs	4	330	-	-	330	382
Fundraising costs		536	-	-	536	396
Financing costs	8	776	-	-	776	625
Investment management		-	-	10	10	32
		1,642	-	10	1,652	1,435
<b>Charitable activities</b>						
Educational activities and grant making		26,113	-	264	26,377	22,677
<b>Total Expenditure</b>	7	<b>27,755</b>	<b>-</b>	<b>274</b>	<b>28,029</b>	<b>24,112</b>
<b>NET (EXPENDITURE)/INCOME BEFORE INVESTMENTS GAINS/(LOSSES)</b>		<b>(250)</b>	<b>-</b>	<b>(7)</b>	<b>(257)</b>	<b>1,094</b>
Investment gains/(losses)	11	-	759	12	771	56
Gain/(loss) on Interest Rate Swap		(389)	-	-	(389)	389
<b>NET (EXPENDITURE)/INCOME AFTER INVESTMENTS GAINS/(LOSSES)</b>		<b>(639)</b>	<b>759</b>	<b>5</b>	<b>125</b>	<b>1,539</b>
Transfers	18, 19	3,965	(3,965)	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>3,326</b>	<b>(3,206)</b>	<b>5</b>	<b>125</b>	<b>1,539</b>
Balance brought forward at 1 August 2023		47,623	3,358	5,715	56,696	55,157
Balance carried forward at 31 August 2024	17, 18, 19	<b>50,949</b>	<b>152</b>	<b>5,720</b>	<b>56,821</b>	<b>56,696</b>

The notes on pages 19 to 36 form part of these accounts. All amounts derive from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities. Comparative figures for unrestricted and restricted movements as shown in note 24.

**BENENDEN SCHOOL (KENT) LIMITED  
CONSOLIDATED AND CHARITY BALANCE SHEETS  
AS AT 31 AUGUST 2024**

	Notes	GROUP		CHARITY	
		2024 £ '000	2023 £ '000	2024 £ '000	2023 £ '000
<b>FIXED ASSETS</b>					
Tangible assets	10	62,910	63,959	62,834	63,881
Investments	11	1,990	6,619	1,990	6,619
Investment in subsidiaries	11	-	-	-	-
		<u>64,900</u>	<u>70,578</u>	<u>64,824</u>	<u>70,500</u>
<b>CURRENT ASSETS</b>					
Stock		225	219	66	58
Debtors: amounts falling due within one year	12	1,468	2,235	1,464	2,272
Cash at bank and in hand		15,056	6,920	15,049	6,912
		<u>16,749</u>	<u>9,374</u>	<u>16,579</u>	<u>9,242</u>
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(8,817)</u>	<u>(4,508)</u>	<u>(8,644)</u>	<u>(4,339)</u>
<b>NET CURRENT ASSETS</b>		<u>7,932</u>	<u>4,866</u>	<u>7,935</u>	<u>4,903</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>72,832</u>	<u>75,444</u>	<u>72,759</u>	<u>75,403</u>
<b>CREDITORS: amounts falling due after more than one year</b>	14	<u>(16,011)</u>	<u>(18,748)</u>	<u>(16,011)</u>	<u>(18,748)</u>
<b>NET ASSETS</b>		<u>56,821</u>	<u>56,696</u>	<u>56,748</u>	<u>56,655</u>
<b>FUNDS AND CAPITAL</b>					
Unrestricted Funds:	19				
- General		50,949	47,623	50,876	47,582
- Designated		152	3,358	152	3,358
Restricted Income Funds	18	5,720	5,715	5,720	5,715
Called up share capital	20	-	-	-	-
<b>TOTAL FUNDS</b>		<u>56,821</u>	<u>56,696</u>	<u>56,748</u>	<u>56,655</u>

The notes on pages 19 to 36 form part of these financial statements.

In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Benenden School (Kent) Limited. The Charity income for the year was £26.9m (2023: £25.2m) with a loss of £0.1m (2023: surplus £1.6m).

The financial statements were approved and authorised for issue by the Governing Council on 19 March 2025 and signed on its behalf by:

  
Anne McNab  
Governing Council Member

  
Fiona Blakemore  
Governing Council Member

**BENENDEN SCHOOL (KENT) LIMITED  
CONSOLIDATED CASH FLOW STATEMENT  
FOR THE PERIOD ENDED 31 AUGUST 2024**

	2024		2023	
	£ '000	£ '000	£ '000	£ '000
<b>Net cash flow from operations</b>				
Net movement in funds	125		1,539	
Depreciation charges	2,369		2,694	
Investment income	(312)		(2)	
Financing costs	776		625	
Gain/(loss) on disposal of fixed assets	(253)		2	
Investment managers charges	10		32	
Investments (gains)/losses	(771)		(56)	
Decrease/(increase) in debtors	767		(420)	
(Decrease)/increase in creditors (excluding fees in advance)	1,605		(2,524)	
(Increase)/decrease in stock	(6)		(42)	
Increase/(decrease) in advanced fees	5,867		205	
<b>Net cash provided by operations</b>		10,177		1,643
<b>Net cash flow from investing activities</b>				
Investment income	312		2	
Investment managers fees	(10)		(32)	
Proceeds from sale of investments	5,390		19	
Proceeds from sale of tangible fixed assets	281		-	
Purchase of investments	(12)		-	
Payments for tangible fixed assets	(1,336)		(2,324)	
<b>Net cash used in investing activities</b>		(4,625)		(2,335)
<b>Cash flows from Financing</b>				
Cash inflows from new borrowing	-		3,965	
Financing costs	(776)		(625)	
Loan repayments	(5,900)		(150)	
<b>Net cash (used in)/provided by financing activities</b>		(6,676)		3,190
<b>Increase in cash and cash equivalents</b>		<b>8,126</b>		<b>2,498</b>
<b>Cash and cash equivalents at beginning of the period</b>		6,786		4,288
<b>Cash and cash equivalents at the end of the period</b>		14,912		6,786
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>				
		<b>2024</b>		<b>2023</b>
		<b>£ '000</b>		<b>£ '000</b>
Cash in hand and at bank		14,833		6,644
Cash on deposit		223		276
Bank overdraft (subsidiary)		(144)		(134)
		14,912		6,786

**BENENDEN SCHOOL (KENT) LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2024**

**ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1 August 2023</b>	<b>Cash flows</b>	<b>Non-cash movements</b>	<b>At 31 August 2024</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Cash	6,644	8,189	-	14,833
Deposits	276	(53)	-	223
Bank overdraft (subsidiary)	(134)	(10)	-	(144)
	<u>6,786</u>	<u>8,126</u>	<u>-</u>	<u>14,912</u>
Loan: Less than one year	(600)	-	-	(600)
Loan: Greater than one year	(14,250)	5,900	-	(8,350)
	<u>(8,064)</u>	<u>14,026</u>	<u>-</u>	<u>5,962</u>

## **1. ACCOUNTING POLICIES**

### **Basis of preparation**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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) - Second Edition.

The financial statements are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

The Governing Council consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements

These financial statements consolidate the results of the School and its wholly-owned subsidiaries; Lime Avenue Sales & Services Limited (LASS Ltd) and Benenden International Limited (BIL), on a line by line basis.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 13 March 1924 (company number: 0196353) and registered as a charity in 1941 (charity number: 307854).

### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, Directors are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, the principal judgement and source of estimation uncertainty relates to the valuation of the interest rate swap (as detailed in 1.13).

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

#### **1.1 Fees and similar earned income**

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

#### **1.2 Investment income**

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

**1. ACCOUNTING POLICIES (continued)**

**1.3 Donations, legacies, grants and other voluntary income**

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

**1.4 Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the Statement of Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the School and its subsidiaries are excluded from trading income and expenditure.

**1.5 Taxation**

Benenden School (Kent) Limited is a registered charity and therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. Income generated outside these charitable activities are liable to tax.

**1.6 Tangible fixed assets**

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £1,000 together with vehicles, furniture, machinery, ICT infrastructure and other equipment costing more than £300 are capitalised and carried in the balance sheet at historical cost. ICT equipment costs less than £300 are written off as incurred.

Other expenditure on equipment incurred in the normal day-to-day running of the School and its subsidiary is charged to the Statement of Financial Activities as incurred.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal annual instalments over their expected useful economic lives as follows:

- Freehold Property	- 2% - 10% on cost
- Furniture and Equipment: Furniture, Equipment and IT	- 20% - 33% on cost
Motor Vehicles	- 33% on cost

No depreciation is provided on freehold land.

**1.7 Investments**

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets. Investments in subsidiaries are valued at cost less provision for impairment.

**1. ACCOUNTING POLICIES (continued)**

**1.8 Stock**

Stock represents goods for resale and is valued at the lower of cost and net realisable value.

**1.9 Fund accounting**

The charitable trust funds of the School are accounted for as unrestricted or restricted income in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

**Unrestricted** income belongs to the School's corporate reserves, spendable at the discretion of the Governing Council either to further the School's Objects or to benefit the School itself. Where the Governing Council decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Advance fee funds represent the excess assets over liabilities in the old Fees Safeguard Plan which will be used for bursaries.

**Restricted** funds represent amounts donated to the School for specific purposes such as funding building developments, scholarships, seniors' bursaries and prizes.

**1.10 Pension costs**

Retirement benefits to employees of the School are provided through three pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

(a) The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

(b) The TPT Retirement Solutions (formerly The Pensions Trust) Growth Plan Fund - The plan is a multi-employer scheme, partly money purchase and partly with defined benefits. It is not possible to identify the School's share of the underlying assets and liabilities and therefore as required by FRS102, the School accounts for the scheme as if it were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of the deficit contributions. Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability.

(c) The Aviva APTIS Scheme – A defined contribution scheme which replaced the Teachers' Pension Scheme for new teaching staff from 1 September 2022. Teaching staff employed prior to this date are also eligible to join this scheme. The School's contributions are charged in the period in which the salaries to which they relate are payable.

**1.11 Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**1.12 Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2024**

**1.13 Hedging arrangements**

The School applies hedge accounting for transactions entered into to manage the cash flow exposures of borrowings.

Changes in the fair values of derivatives designated as cash flow hedges, and which are effective, are recognised directly in other recognised gains and losses in the Statement of Financial Activities. Changes in fair values which are ineffective are recognised within income or expenditure in the Statement of Financial Activities – in line with the hedge accounting treatment above.

Included within these financial statements is the fair value of an interest rate swap contract. The fair value of this interest rate swap is provided by the counterparty. However, the value of the swap is estimated based on SONIA rates and is therefore subject to movements in the interest rate market.

<b>2. SCHOOL FEES</b>	<b>2024</b>	<b>2023</b>
	<b>£ '000</b>	<b>£ '000</b>
Fees receivable comprises		
Current fees	25,754	23,576
Less: Allowances, Scholarships and Bursaries	(2,104)	(1,848)
	<u>23,650</u>	<u>21,728</u>
 Add: Amount from The Benenden School Hong Kong Trust	 1	 2
Bursaries and other awards paid for by restricted funds	264	179
	<u>23,915</u>	<u>21,909</u>

Scholarships, bursaries and other awards were paid to 85 students (2023: 102 students). Within this, means tested bursaries totalling £1,581,000 were paid to 40 students (2023: £1,417,000 to 42 students).

<b>3. ANCILLIARY TRADING INCOME</b>	<b>2024</b>	<b>2023</b>
	<b>£ '000</b>	<b>£ '000</b>
Fee income for extra subjects	1,080	1,080
Entrance and registration fees	117	103
Courses and sub-lettings	886	405
Other income	210	312
	<u>2,293</u>	<u>1,900</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**4. INCOME FROM SUBSIDIARIES TRADING ACTIVITIES**

The Charity owns the whole of the share capital of two trading subsidiaries, Lime Avenue Sales & Services Limited (LASS Ltd), a company registered in the United Kingdom with number 1794097 and Benenden International Limited (BIL), a company registered in the United Kingdom with number 12166808.

Lime Avenue Sales & Services Limited continued as the main trading arm of the School and operated the School retail shop, supplying staff, students, visitors and the School with a range of products on a continuing basis.

Benenden International Limited was set up to explore the options for business diversification and access the international market. On 25 November 2020 BIL signed an agreement with Chow Tai Fook Education Group (CTFEG), a Hong Kong based educational group, to establish five Benenden international schools in China. The first school in the group opened in September 2023.

The trading results for the year, as extracted from the audited accounts, are summarised below:

	LASS		BIL	
	2024	2023	2024	2023
	£ '000	£ '000	£ '000	£ '000
Turnover	363	332	185	90
Cost of Sales	(215)	(196)	-	-
Gross Profit	148	136	185	90
Administrative Expenses	(106)	(96)	(150)	(132)
Operating profit	42	40	35	(42)
Interest payable	(14)	(10)	-	-
Net profit	28	30	35	(42)
Corporation Tax	-	-	-	-
Profit after Tax	28	30	35	(42)
Retained profit brought forward	84	82	(42)	24
Profit after Tax	28	30	35	(42)
Gift aid under covenant	(32)	(28)	-	(25)
Retained profit carried forward	80	84	(7)	(43)

Turnover in LASS Ltd includes £53,000 (2023: £42,000) supplied to the School and expenditure in BIL includes £141,000 (2023: £121,000) supplied by the School, which are an intercompany transfer excluded on consolidation and does not show in the Statement of Financial Activities. At 31 August 2024 there was a £1,000 balance owed to LASS Ltd by the School (2023: £NIL), a £NIL balance owed to the School from BIL (2023: £45,000) and £10,000 owed by BIL to the School (2023: £NIL).

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The balance sheets for the year, as extracted from the audited accounts, are summarised below:

	LASS		BIL	
	2024	2023	2024	2023
	£ '000	£ '000	£ '000	£ '000
Fixed assets	76	78	-	-
Current assets	176	171	5	6
Less current liabilities	(172)	(165)	(12)	(48)
<b>Net assets</b>	<b>80</b>	<b>84</b>	<b>(7)</b>	<b>(42)</b>
Called up share capital	-	-	-	-
Profit and loss account	80	84	(7)	(42)
	<u>80</u>	<u>84</u>	<u>(7)</u>	<u>(42)</u>

5. INVESTMENT INCOME	Unrestricted	Designated	Restricted	Total
	£ '000	£ '000	£ '000	£ '000
Fixed Interest	312	-	-	312
	<u>312</u>	<u>-</u>	<u>-</u>	<u>312</u>

**COMPARATIVE INVESTMENT INCOME – 2023**

	Unrestricted	Designated	Restricted	Total
	£ '000	£ '000	£ '000	£ '000
Fixed Interest	1	1	-	2
	<u>1</u>	<u>1</u>	<u>-</u>	<u>2</u>

6. GRANTS AND DONATIONS	Unrestricted	Designated	Restricted	Total
	£ '000	£ '000	£ '000	£ '000
Development and other donations	237	-	267	504
	<u>237</u>	<u>-</u>	<u>267</u>	<u>504</u>

**COMPARATIVE GRANTS AND DONATIONS – 2023**

	Unrestricted	Designated	Restricted	Total
	£ '000	£ '000	£ '000	£ '000
Development and other donations	92	-	923	1,015
	<u>92</u>	<u>-</u>	<u>923</u>	<u>1,015</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
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**7. (a) ANALYSIS OF EXPENDITURE**

<b>EXPENDITURE</b>	<b>Staff Costs £ '000</b>	<b>Other £ '000</b>	<b>Depreciation £ '000</b>	<b>Total £ '000</b>
<b>Costs of raising funds:</b>				
Trading costs	85	242	3	330
Fundraising costs	339	197	-	536
Financing costs	-	776	-	776
Investment manager's fees	-	10	-	10
<b>Total costs of raising funds</b>	<b>424</b>	<b>1,225</b>	<b>3</b>	<b>1,652</b>
<b>Charitable activities</b>				
<b>Education:</b>				
Teaching costs	8,067	370	-	8,437
Welfare costs	4,660	1,281	-	5,941
Premises costs	704	1,851	1,814	4,369
Support and governance costs	3,406	3,407	553	7,366
Grants, awards and prizes	-	264	-	264
<b>Total charitable expenditure</b>	<b>16,837</b>	<b>7,173</b>	<b>2,367</b>	<b>26,377</b>
<b>Total expenditure</b>	<b>17,261</b>	<b>8,398</b>	<b>2,370</b>	<b>28,029</b>

**7 (a) COMPARATIVE ANALYSIS OF EXPENDITURE – 2023**

<b>EXPENDITURE</b>	<b>Staff Costs £ '000</b>	<b>Other £ '000</b>	<b>Depreciation £ '000</b>	<b>Total £ '000</b>
<b>Costs of raising funds:</b>				
Trading costs	75	303	4	382
Fundraising costs	237	159	-	396
Financing costs	-	625	-	625
Investment manager's fees	-	32	-	32
<b>Total costs of raising funds</b>	<b>312</b>	<b>1,119</b>	<b>4</b>	<b>1,435</b>
<b>Charitable activities</b>				
<b>Education:</b>				
Teaching costs	7,009	361	-	7,370
Welfare costs	3,600	1,225	-	4,825
Premises costs	553	1,526	2,263	4,342
Support and governance costs	2,748	2,786	427	5,961
Grants, awards and prizes	-	179	-	179
<b>Total charitable expenditure</b>	<b>13,910</b>	<b>6,077</b>	<b>2,690</b>	<b>22,677</b>
<b>Total expenditure</b>	<b>14,222</b>	<b>7,196</b>	<b>2,694</b>	<b>24,112</b>

**BENENDEN SCHOOL (KENT) LIMITED**  
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<b>7 (b) GOVERNANCE INCLUDED IN SUPPORT COSTS</b>	<b>2024</b>	<b>2023</b>
	<b>£ '000</b>	<b>£ '000</b>
Remuneration paid to auditor for audit services	41	41
Remuneration paid to auditor for other services	17	4
Governors' reimbursement of expenses - travel	1	2
Other governance costs	181	135
	<u>240</u>	<u>182</u>
	<u><u>240</u></u>	<u><u>182</u></u>
Number of Governing Council members reimbursed for expenses in the year	3	5
<b>7. (c) MOVEMENT IN FUNDS</b>	<b>2024</b>	<b>2023</b>
	<b>£ '000</b>	<b>£ '000</b>
Group net movement in funds is stated after charging:		
Depreciation	2,370	2,694
Operating lease rentals		
- land and buildings	-	-
- other	110	89
	<u>110</u>	<u>89</u>
	<u><u>110</u></u>	<u><u>89</u></u>
<b>7. (d) Grants, awards, and prizes</b>	<b>2024</b>	<b>2023</b>
	<b>£ '000</b>	<b>£ '000</b>
<b>From restricted funds</b>		
Bursaries and other awards	264	179
	<u>264</u>	<u>179</u>
	<u><u>264</u></u>	<u><u>179</u></u>
<b>8. FINANCING COSTS</b>	<b>2024</b>	<b>2023</b>
	<b>£ '000</b>	<b>£ '000</b>
Fees in advance debt financing	8	6
Loan interest and bank charges	768	619
	<u>776</u>	<u>625</u>
	<u><u>776</u></u>	<u><u>625</u></u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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<b>9. STAFF COSTS</b>	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
The average number employed by the company within each category of persons was:		
Teaching (including peripatetic teachers)	153	146
Welfare	37	35
Premises	14	13
Support	207	197
	<u>411</u>	<u>391</u>
	<b>£ '000</b>	<b>£ '000</b>
The costs incurred in respect of these employees were:		
Wages and salaries	13,685	11,218
Social Security costs	1,449	1,169
Pension costs	1,909	1,681
Termination payments	218	154
	<u>17,261</u>	<u>14,222</u>
Aggregate employee costs of key management personnel	<u>1,153</u>	<u>1,277</u>
The number of higher paid employees was:		
Taxable emoluments band:		
£60,000 - £70,000	25	28
£70,000 - £80,000	18	9
£80,000 - £90,000	1	3
£90,000 - £100,000	2	2
£100,000 - £110,000	3	-
£110,000 - £120,000	1	1
£130,000 - £140,000	-	-
£140,000 - £150,000	-	1
£210,000 - £220,000	1	1
£240,000 - £250,000	1	-
	<u>        </u>	<u>        </u>
The number with retirement benefits accruing was:		
In defined contribution schemes	37	9
In defined benefit schemes	34	36
	<u>        </u>	<u>        </u>
	<b>£ '000</b>	<b>£ '000</b>
In defined contribution schemes	317	71
In defined benefit schemes	458	605
	<u>        </u>	<u>        </u>

**BENENDEN SCHOOL (KENT) LIMITED**  
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**10. TANGIBLE FIXED ASSETS**

	Freehold Property £'000	Furniture and equipment £'000	Assets Under construction £'000	Charity Total £'000	Subsidiary Property and equipment £'000	Group Total £'000
<b>COST</b>						
At 1 August 2023	81,608	1,980	51	83,639	142	83,781
Additions	991	344	-	1,335	-	1,335
Disposals	(46)	-	-	(46)	-	(46)
Reclassifications	51	-	(51)	-	-	-
At 31 August 2024	82,604	2,324	-	84,928	142	85,070
<b>DEPRECIATION</b>						
At 1 August 2023	18,381	1,377	-	19,758	64	19,822
Charge for the year	1,814	554	-	2,368	2	2,370
On Disposals	(32)	-	-	(32)	-	(32)
At 31 August 2024	20,163	1,931	-	22,094	66	22,160
<b>NET BOOK VALUE</b>						
At 31 August 2024	62,441	393	-	62,834	76	62,910
At 31 July 2023	63,227	603	51	63,881	78	63,959

**11. INVESTMENTS**

	2024 £ '000	2023 £ '000
<b>Group and company</b>		
At Market Value		
At 1 August 2023	6,619	6,596
Additions	12	-
Disposals	(5,390)	(19)
Investment Manager's Fees charged to Portfolio	(10)	(32)
Revaluations to closing or sale at Market Value	759	74
At 31 August 2024	1,990	6,619
Listed	1,875	5,986
Historical cost	1,765	6,274

Included within the charity balance sheet is £2 investment in the subsidiary companies (see note 4).

All the above investments (other than the subsidiary company) are quoted on a recognised UK Stock Exchange or are valued by reference to investments listed on a recognised UK Stock Exchange.

**BENENDEN SCHOOL (KENT) LIMITED**  
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12. DEBTORS	Group		Charity	
	2024 £ '000	2023 £ '000	2024 £ '000	2023 £ '000
Fee debtors less refundable deposits	371	469	371	469
Other debtors	44	164	32	159
Prepayments and accrued income	622	783	619	780
Amounts owed by trading subsidiaries	-	-	11	45
Interest Rate Swap asset	431	819	431	819
	<u>1,468</u>	<u>2,235</u>	<u>1,464</u>	<u>2,272</u>
The bad debt expense for the period was	50	-	50	-
	<u>50</u>	<u>-</u>	<u>50</u>	<u>-</u>
13. CREDITORS: amounts falling due within one year	Group		Charity	
	2024 £ '000	2023 £ '000	2024 £ '000	2023 £ '000
Loans and overdrafts	766	745	622	611
Trade creditors	479	789	475	781
Fees received in respect of Autumn Term	2,683	744	2,683	744
Social Security and Other Taxes	524	293	511	282
Student deposits	707	603	707	603
Pensions Trust creditor	21	50	21	50
Other creditors	96	164	95	163
Accruals and deferred income	309	727	298	712
Amounts owed to trading subsidiaries	-	-	-	-
Fees in advance (see note 16)	3,232	393	3,232	393
	<u>8,817</u>	<u>4,508</u>	<u>8,644</u>	<u>4,339</u>
14. CREDITORS: amounts falling due after more than one year	Group		Charity	
	2024 £ '000	2023 £ '000	2024 £ '000	2023 £ '000
Students' deposits	4,231	4,071	4,231	4,071
Fees in advance (see note 16)	3,430	402	3,430	402
Bank loan (see note 15)	8,350	14,250	8,350	14,250
Pensions Trust Creditor	-	25	-	25
	<u>16,011</u>	<u>18,748</u>	<u>16,011</u>	<u>18,748</u>
15. BANK LOAN				
On 28 March 2019 the School entered into a Facility Agreement with HSBC relating to a Revolving Loan Facility of up to £15m which converted to a Term Loan Facility. A hedging instrument was put in place in the form of an Interest Rate Swap. The loan interest is a floating rate but is fixed at 2.37% until 30 April 2029 through the swap which at 31 August 2024 represented 67% of the loan drawdown value. During the period ended 31 August 2024 an additional repayment of £5.3m was made.				
			2024 £ '000	2023 £ '000
After 5 years			5,950	11,850
Within 2 to 5 years			1,800	1,800
Within 1 to 2 years			600	600
			<u>8,350</u>	<u>14,250</u>
Within 1 year			600	600
			<u>8,950</u>	<u>14,850</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
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**16. FEES IN ADVANCE**

Under the School's fees in advance schemes, contributors may enter into a contract to pay to the School up to the equivalent of seven years' tuition fees in advance. The liability is valued at the balance sheet date, but has been allocated assuming that students will remain in the School for the normal duration:

	<b>2024</b>	<b>2023</b>
	<b>£ '000</b>	<b>£ '000</b>
After 5 years	102	-
Within 2 to 5 years	1,533	193
Within 1 to 2 years	1,795	209
	<u>3,430</u>	<u>402</u>
Within 1 year	3,232	393
	<u>6,662</u>	<u>795</u>

The movements during the year on the accrued liability under the contracts were:

Balance at 1 August 2023	795
New contracts	6,284
	<u>7,079</u>
Amounts utilised in payment of fees to the School	(352)
	<u>(352)</u>
Capital repaid	(63)
	<u>(63)</u>
Balance at 31 August 2024	<u>6,664</u>

**17. ALLOCATION OF THE GROUP'S NET ASSETS EXCLUDING SHARE CAPITAL**

	<b>Fixed Assets</b>	<b>Investments</b>	<b>Net current Assets/ (Liabilities)</b>	<b>Long term Liabilities</b>	<b>Fund Balances</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Unrestricted funds					
- Designated (Fees Safeguard Plan)	-	-	152	-	152
- General	62,835	-	4,051	(16,011)	50,875
Restricted funds	-	1,990	3,730	-	5,720
<b>Charity funds</b>	<u>62,835</u>	<u>1,990</u>	<u>7,933</u>	<u>(16,011)</u>	<u>56,747</u>
Subsidiary's reserves	75	-	(1)	-	74
<b>Group funds</b>	<u>62,910</u>	<u>1,990</u>	<u>7,932</u>	<u>(16,011)</u>	<u>56,821</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
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**17. ALLOCATION OF THE GROUP'S NET ASSETS  
EXCLUDING SHARE CAPITAL – 2023**

	Fixed Assets £ '000	Investments £ '000	Net current Assets/ (Liabilities) £ '000	Long term Liabilities £ '000	Fund Balances £ '000
Unrestricted funds					
- Designated (Fees Safeguard Plan)	-	-	152	-	152
- Designated (Clarke Will)	-	3,206	-	-	3,206
- General	63,881	1,585	864	(18,748)	47,582
Restricted funds	-	1,828	3,887	-	5,715
<b>Charity funds</b>	<b>63,881</b>	<b>6,619</b>	<b>4,903</b>	<b>(18,748)</b>	<b>56,655</b>
Subsidiary's reserves	78	-	(37)	-	41
<b>Group funds</b>	<b>63,959</b>	<b>6,619</b>	<b>4,866</b>	<b>(18,748)</b>	<b>56,696</b>

**DESIGNATED FUNDS**

Designated funds comprise unrestricted funds that have been set aside by the Governing Council and consist of the retained surplus in the Fees Safeguard Plan. The Fees Safeguard Plan fund represents the current surplus of assets of the Fees Safeguard Plan over its liabilities.

During the year, the formerly designated Clark Will Fund was released to support the reduction in the loan taken out to fund the Centenary Hall.

**RESTRICTED FUNDS**

Restricted funds consist of those detailed in Note 18 and are held for the purpose of providing bursaries, scholarships and building work.

**18. RESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 31 August 2023 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Investment Gains/(Losses) and Transfers £ '000	Balance at 31 August 2024 £ '000
Restricted Funds:						
Restricted Income funds	777	70	-	(264)	936	1,519
Seniors Bursary Fund	675	1	-	(6)	38	708
Trust Scholarships	842	-	-	-	128	970
Sacha and Susannah Stephens' Bursary	84	-	-	-	12	96
Founders Memorial Scholarship Fund	33	-	-	-	5	38
Founders Memorial Event Fund	23	-	-	-	(1)	22
Hunt Memorial Concert Fund	12	-	-	-	(12)	-
Trust Award	24	6	-	(1)	(22)	7
Heart of Benenden	3,011	1	-	(1)	(876)	2,135
Founders Scholarship	234	59	-	(2)	(196)	95
Centenary Campaign	-	130	-	-	-	130
	<u>5,715</u>	<u>267</u>	<u>-</u>	<u>(274)</u>	<u>12</u>	<u>5,720</u>

**BENENDEN SCHOOL (KENT) LIMITED  
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**2023 COMPARATIVE RESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 August 2022 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Investment Gains/(Losses) and Transfers £ '000	Balance at 31 July 2023 £ '000
Restricted Funds:						
Restricted Income funds	820	-	-	(46)	3	777
Seniors Bursary Fund	679	2	-	(14)	8	675
Trust Scholarships	836	-	-	(4)	10	842
Sacha and Susannah Stephens' Bursary	84	-	-	-	-	84
Founders Memorial Scholarship Fund	33	-	-	-	-	33
Founders Memorial Event Fund	23	-	-	-	-	23
Hunt Memorial Concert Fund	39	-	-	-	(27)	12
Trust Award	27	6	-	(9)	-	24
Heart of Benenden Founders Scholarship	2,433	800	-	(36)	(186)	3,011
	198	115	-	(79)	-	234
	<u>5,172</u>	<u>923</u>	<u>-</u>	<u>(188)</u>	<u>(192)</u>	<u>5,715</u>

The restricted funds held in the Seniors Bursary Fund are held by the School as Trustee.

**19. UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 31 July 2023 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Other Gains/(Losses) And Transfers £ '000	Balance at 31 August 2024 £ '000
Designated funds:						
Advance fee payments	152	-	-	-	-	152
Clarke Will	3,206	-	-	-	(3,206)	-
General fund Reserves	47,582	26,957	-	(27,270)	3,607	50,876
	<u>50,940</u>	<u>26,957</u>	<u>-</u>	<u>(27,270)</u>	<u>401</u>	<u>51,028</u>
Charity Non-charitable trading funds	41	548	-	(485)	(31)	73
Group	<u>50,981</u>	<u>27,505</u>	<u>-</u>	<u>(27,755)</u>	<u>370</u>	<u>51,101</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
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**FOR THE PERIOD ENDED 31 AUGUST 2024**

**2023 COMPARATIVE UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 August 2022 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Investment Gains/(Losses) And Transfers £ '000	Balance at 31 July 2023 £ '000
Designated funds:						
Advance fee payments	151	-	1	-	-	152
Clarke Will	3,182	-	-	(16)	40	3,206
General fund Reserves	46,546	23,901	1	(23,516)	650	47,582
	<u>49,879</u>	<u>23,901</u>	<u>2</u>	<u>(23,532)</u>	<u>690</u>	<u>50,940</u>
Charity Non-charitable trading funds	106	380	-	(392)	(53)	41
Group	<u>49,985</u>	<u>24,281</u>	<u>2</u>	<u>(23,924)</u>	<u>637</u>	<u>50,981</u>

**20. SHARE CAPITAL**

	2024 £	2023 £
<b>Authorised</b>		
10 Ordinary "B" Shares of £1 each	14	14
<b>Allotted, Issued and Fully Paid</b>		
10 Ordinary "B" Shares of £1 each	14	14

**21. FINANCIAL AND CAPITAL COMMITMENTS**

	Other 2024 £ '000	2023 £ '000
Operating leases that are subject to future minimum lease commitments are as follows:		
Within one year	44	60
In the second to fifth years	76	75
In more than five years	-	-

The capital commitment for the School Hall and Music School at 31 August 2024 was £NIL (2023: £0.3m). Further capital commitments relating to Lifts and Boarding Accommodation upgrades at 31 August 2024 were £NIL (2023: £0.2m) and £NIL (2023: £0.1m) respectively.

**22. RELATED PARTIES**

**LIME AVENUE SALES AND SERVICES LIMITED – LASS Ltd**

The directors of LASS Ltd, as indicated under Governing Council and Officers on pages 37 and 38, are members of Governing Council or the Senior Management Team. During the year ended 31 August 2024 the company's turnover included £53,000 (2023: £42,000) from supplies to Benenden School (Kent) Limited. LASS Ltd also made a donation of £32,000 under gift aid to the charitable company. At the year-end, a balance of £1,000 was owed to LASS Ltd by Benenden School (Kent) Limited (2023: £NIL was owed to LASS Ltd by Benenden School (Kent) Limited).

**BENENDEN INTERNATIONAL LIMITED - BIL**

Several members of Governing Council and the Senior Management Team also served in the year as directors of BIL, as indicated under Governing Council and Officers details. During the year recharges of £141,000 (2023: £120,000) were incurred by BIL from the school.

**22. RELATED PARTIES (continued)**

Benenden School, a company registered in the United Kingdom with number 11352204, is a wholly owned subsidiary of the Charity.

No Governing Council members received any remuneration (2023:Nil). During the year, no (2023: one) Governing Council members had children at the School. No Governing Council member received remuneration (2023: no member) for services supplied to the School.

During the year, the School obtained within its general insurance, professional indemnity and governors liability insurance cover of £5m (2023: £5m), the cost of which cannot be split.

**23. PENSION SCHEMES**

Retirement benefits to employees of the School are provided through three schemes which are funded by the School's and employees' contributions.

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £794K (2023: £1.1m) and at the year-end £72,000 (2023: £128,000) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

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

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

**TPT Retirement Solutions' Growth Plan**

Support staff are eligible to contribute to TPT Retirement Solutions' (formerly The Pensions Trust) Growth Plan. The plan is a multi-employer scheme, partly money purchase and partly with defined benefits. The School contributes at a rate between 3% and 11% of gross pensionable salary, together with an additional premium to meet an underfunded liability as advised by TPT Retirement Solutions. The multi-employer scheme structure enables sponsors to pool costs and access a wider range of support, administration, and investment services than most could reasonably afford alone. However, the multi-employer structure does come with risk and managing this is an important element of the TPT Committee's remit. Despite the financial controls preventing weaker employers from building up new liabilities, it is possible that an employer may become insolvent and be unable to meet the full cost of settling its liabilities. If so, those 'orphan' liabilities, as they are known are shared amongst the remaining employers. The scheme has a mix of different sized employers with a wide spread of the share of liability. There are 638 non associated employers, over 95% have less than a 1% share of the liabilities. The largest individual employer share is 2.7%. Therefore, if an employer in the Scheme became insolvent, the impact on the remaining employers is relatively low. If the School were to leave the scheme it would have a liability to it. At 30 September 2023 this liability would have been £664K (2022: £642K). There is no plan to leave the scheme, so this contingent liability has not been provided for in the accounts.

**TPT Retirement Solutions' Growth Plan (continued)**

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme. The School is committed to deficit repayments in relation to The Pensions Trust Growth plan of £106k per annum over a period of 10 years from 1 April 2013, indexed at 3% per annum. In line with the requirements of FRS 102, a liability of £21,000 (2023: £75,000) has been recognised in relation to this.

**Aviva APTIS Scheme**

Teaching staff employed by the school since 1<sup>st</sup> September 2022 and teaching staff employed prior to this date are eligible to contribute to the Aviva APTIS scheme. The pension charge for the year includes contributions payable to Aviva APTIS of £451K (2023: £88K) and at the year-end £56,000 (2023: £9,000) was accrued in respect of contributions to this scheme.

All Schemes permit staff to make additional voluntary contributions.

	<b>2024</b>	<b>2023</b>
	<b>£ '000</b>	<b>£ '000</b>
Total contributions incurred during the year were:		
Teaching staff	1,245	1,128
Support staff	664	553
	<u>1,909</u>	<u>1,681</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2024**

**24. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES – 2023**

	Unrestricted Funds		Restricted Funds £ '000	Total 2023 £ '000
	General Funds £ '000	Designated Funds £ '000		
<b>INCOME FROM:</b>				
<b>Charitable activities</b>				
School fees	21,909	-	-	21,909
Ancillary trading income	1,900	-	-	1,900
<b>Other trading activities</b>				
Trading company	380	-	-	380
<b>Investment income</b>	1	1	-	2
<b>Voluntary sources</b>				
Grants and donations	92	-	923	1,015
<b>Total Income</b>	<b>24,282</b>	<b>1</b>	<b>923</b>	<b>25,206</b>
<b>EXPENDITURE ON:</b>				
<b>Raising funds</b>				
Trading costs	382	-	-	382
Fundraising costs	396	-	-	396
Financing costs	625	-	-	625
Investment management	7	16	9	32
	1,410	16	9	1,435
<b>Charitable activities</b>				
Educational activities and grant making	22,498	-	179	22,677
<b>Total Expenditure</b>	<b>23,908</b>	<b>16</b>	<b>188</b>	<b>24,112</b>
<b>NET INCOME BEFORE TAX</b>	<b>374</b>	<b>(15)</b>	<b>735</b>	<b>1,094</b>
Taxation payable	-	-	-	-
<b>NET INCOME AFTER TAXATION BEFORE INVESTMENTS GAINS/(LOSSES)</b>	<b>374</b>	<b>(15)</b>	<b>735</b>	<b>1,094</b>
Investment gains/(losses)	20	40	(4)	56
Gain on Interest Rate Swap	389	-	-	389
<b>NET INCOME AFTER TAXATION AND INVESTMENTS LOSSES</b>	<b>783</b>	<b>25</b>	<b>731</b>	<b>1,539</b>
Transfers	188	-	(188)	-
<b>NET MOVEMENT IN FUNDS</b>	<b>971</b>	<b>25</b>	<b>543</b>	<b>1,539</b>
Balance brought forward at 1 August 2022	46,652	3,333	5,172	55,157
Balance carried forward at 31 July 2023	47,623	3,358	5,715	56,696

## Governing Council and Officers

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Benenden School (Kent) Limited is a limited company with charitable status. The Directors of the company, who are the Trustees of the charity, are the members of the Governing Council of Benenden School. Those who served during the year and subsequently were:

The Hon Mrs J S Birkett (resigned 3 August 2024)	1, 7
Ms F J Conway Blakemore	15, 18
Mrs A V Caton	15
Ms A J Clarke	8, 17, 19
Dr F E Cornish	10
Mrs D Coslett	3, 20
Dr R W Evenett~ (resigned 3 August 2024)	9, 13, 16
Mr P A J C Marshall	5, 14, 20
Mr D McBeath	13, 18
Mrs A McNab* (Chair from 29 June 2024)	1, 2, 7, 11, 14, 17
Mr D J McNab (appointed 9 May 2024)	15
Mr J P Pearce~	6, 17, 21
Mr P A Simpkin	15
Mrs C Stewart~ (resigned 3 August 2024)	19
Prof H L Taylor	13, 20
Mrs C L Thomas	4, 18

Governing Council Members are appointed by the Governing Council for a term of four years. They can be re-elected or retire by rotation. There are no nominated Governing Council Members.

Denotes Committee membership (as at 31 August 2024 or prior to retirement):

- |   |  |
|---|--|
| 1. Chair of Governing Council                   | 12. Chair of Development Board                   |
| 2. Deputy Chair of Governing Council            | 13. Member of Education Committee                |
| 3. Chair of Education Committee                 | 14. Member of Estates Committee                  |
| 4. Chair of Estates Committee                   | 15. Member of Finance Committee                  |
| 5. Chair of Finance Committee                   | 16. Member of Investment Committee               |
| 6. Chair of Investment Committee                | 17. Member of Nominations Committee              |
| 7. Chair of Nominations Committee               | 18. Member of Remuneration Committee             |
| 8. Chair of Remuneration Committee              | 19. Member of Risk Committee                     |
| 9. Chair of Risk Committee                      | 20. Member of Safeguarding Committee             |
| 10. Chair of Safeguarding Committee             | 21. Member of Bursary and Partnerships Committee |
| 11. Chair of Bursary and Partnerships Committee |  |

\* Director of LASS Ltd

~ Director of BIL

## SHAREHOLDERS

The School is owned by holders of "B" shares; there are no "A" shareholders. The list of shareholders is the same as the list of Governing Council members shown above.

No payment was made to any Directors for their services as Members of the Board of Governing Council Members. They were reimbursed expenses directly incurred on school business.

## OFFICERS

Headmistress	Mrs S A Price (until 31 August 2024)
Headmistress	Ms R Bailey (from 1 September 2024)
Director of Finance and Operations	Mrs J E Lerbech (until 31 July 2024)
Director of Finance and Operations	Mrs A D Higgs (from 29 February 2024) *
Secretary	Mrs E J Bradley (until 31 May 2024)
Secretary	Ms R Williams (from 1 April 2024)
Further members of the Senior Management Team	Mr M J L Commander ~ Mr K A Johnson Mr S Miller Mr I G Read Ms H J R Semple Mrs A M Wakefield (until 31 August 2024)
Address and Registered Office	Benenden School (Kent) Limited Cranbrook Kent TN17 4AA
Company Number	0196353
Charity Number	307854

## Advisers

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### Bankers

Coutts & Co.  
440 Strand  
London WC2R OQS

HSBC UK Bank Plc  
1<sup>st</sup> Floor, First Point, Buckingham Gate  
London Gatwick Airport  
West Sussex RH6 0NT

### Solicitors

Farrer & Co.  
66 Lincoln's Inn Fields  
London WC2A 3LH

### Auditors

HaysMac LLP  
10 Queen St Place  
London EC4R 1AG

### Investment Advisers

Sarasin & Partners LLP  
Juxon House  
100 St Paul's Churchyard  
London EC4M 8BU

### Insurance Brokers

Marsh Brokers Limited  
Education Practice  
Capital House  
1-5 Perrymount Road  
Haywards Heath  
West Sussex RH16 3SY



BENENDEN

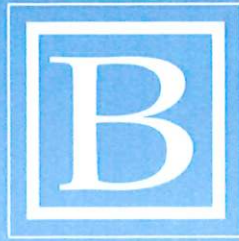
**BENENDEN SCHOOL (KENT) LIMITED**

England & Wales - Charity number 307854

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# Accounts

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BENENDEN



Benenden School (Kent) Limited  
Financial Statements for the  
year ended 31 July 2023

Company Number 196353

Charity Number 307854

**BENENDEN SCHOOL (KENT) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023**  
Registered Company No: 196353  
Charity No: 307854

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## Chairman of Governing Council's Introduction

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The presentation of Benenden School's annual report and accounts always offers its leadership the opportunity to reflect on a year of significant achievements by its students and staff and this year is no exception. The Head's Report and Review of the Year summarises the highlights of a characteristically busy year in which we saw the School at its energetic best. Whether in the classroom, in one of our several performing arts spaces, on the sports field or beyond the school gates in the wider community Benenden's students have each given of their best in their chosen fields. They have been inspired, encouraged and supported by a staff body who continually demonstrate a commitment to their roles which goes beyond expectation. Congratulations to all our students and staff on an extremely successful year which included a successful Compliance inspection by the Independent Schools Inspectorate in October 2022.

One of the major themes of 2023 has been the preparation for and then launch of the School's Centenary celebrations and as I write this we are midway through a programme of events to mark this major milestone in the School's history. Anniversaries always offer an opportunity for reflection as well as celebration and we have enjoyed several occasions which have looked back at the Benenden School journey to date and enabled us to reflect with real pride and satisfaction on the way that the Founders' original educational vision continues to define the School's Complete Education. As stewards for the time being of the School and its heritage, members of Governing Council are keenly aware of the responsibility they have to ensure that its heritage and ethos are respected while the School evolves to meet the demands and needs of today and tomorrow. During this Centenary Year we are therefore enjoying celebrating with the full School community at the same time as continuing to chart the School's path forwards into the middle part of the twenty first century.

For the last couple of years that path forwards has been affected by the financial impacts of the inflationary and turbulent economic landscape within which we operate. We have managed the School's finances carefully during that period and have also focussed efforts on alternative revenue streams to maximise the use of the Schools broader asset base and reduce reliance on school fees. These initiatives are now assuming an even greater significance for us in the face of the political threats to the independent schools sector in the UK. With the apparent probability of a change of government as a result of the upcoming general election, the sector is facing the very real prospect of VAT being imposed on school fees for the first time. As has been widely reported in the press the Labour party seems firmly committed to introducing this as one of their flagship policies. While along with the rest of the sector we remain unconvinced about the merits of the policy, we are now heavily engaged in work to understand its likely impact on the School's financial model and, therefore, on our fee paying parents. This is probably the most significant and imminent risk we face at the moment and we are doing all we can to prepare for it.

The Head's Report sets out the many academic and other educational achievements of the past year but I set out below a few of the broader developments which are particularly noteworthy in our Centenary year:

- Our first international school, Benenden Bilingual School Guangzhou, opened its doors to its first students in September 2023. Owned and operated by our Hong Kong based education partner, CTF Education, the new school proudly reflects Benenden's educational ethos while operating on a state of the art newly built campus in the Panyu district of Guangzhou. We are delighted to have taken the Benenden educational brand into the international school market for the first time and venture will deliver a revenue stream to support the UK school and its bursary programme in particular;
- Hemsted Park launched as our new commercial performing arts brand and held its first open to the public theatrical and musical events in our Centenary Hall and in the theatre. Making full use of the School's excellent performing arts spaces, in particular the Centenary Hall, it enables external audiences from the local area to be benefit from our facilities while generating welcome commercial revenue for the School.
- In September the School hosted a two day conference on Inspiring Female Leaders. It attracted a wide audience and was notable for the fact that all the speakers were Benenden Seniors. We were greatly honoured that HRH The Princess Royal addressed the conference as part of a wider visit to the School;
- "Benenden 100" was published as part of the Centenary celebrations. Building on the histories of the School which had been written for the 50<sup>th</sup> and 75<sup>th</sup> anniversaries of its founding, Benenden 100 features 100 members of the Benenden community past and present, each of whom is considered to exemplify the School's ethos and values. It makes inspiring reading, not least as a showcase of the diversity of the career and life paths which many Seniors have followed from the earliest days of the School's founding up to the present day;
- The Centenary Campaign was launched in Autumn 2023 with a focus on raising much needed funds to help finance the restoration and modernisation of the main Hemsted House, our sports centre SPLASH

and the lower and middle school boarding houses. This campaign builds on from the success of the Heart of Benenden Campaign which was key to being able to deliver the Centenary Buildings. It reflects the fact that the preservation and modernisation of the Estate is an ongoing priority and it can only be achieved to the standard required for a school of Benenden's standing with generous philanthropic support. The Centenary Campaign will sit alongside the Be The Change initiative launched in early 2022 and which has already delivered £2.5 million towards our ambitious bursary funding programme.

As 2023 gives way to 2024 change is in the air at Benenden as the School prepares to say farewell to Mrs Samantha Price who, after 10 years as Headmistress, is sadly leaving the School at the end of the Academic Year. She will leave a strong legacy and leaves with our profound thanks and very best wishes. The leadership of Governing Council will also change in the summer as I stand down as Chairman, to be succeeded by our supremely able and committed Vice Chair, Mrs Anne McNab. For both Mrs Price and myself it has been an extraordinary privilege to be part of the School over the last decade and to complete our tenures with the Centenary. It is fitting that as the School moves into its second century it will do so with a new Head and new Chairman. The School is well placed to meet the challenges, both known and unknown, which lie ahead and I wish it every success.

The Hon Mrs A Birkett MA, MBA

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# Head's Report

## Review of the Year

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### Activities and Achievements

The 2022-23 academic year represented a very successful year at Benenden, as we reflect on many achievements both School-wide and individual.

Some 57 per cent per cent of A Level grades were at A\* or A this year, up from 55 per cent in 2019: the pre-Covid standard against which the Government was benchmarking schools. The A\* – B rate was also higher, by two percentage points, at 82 per cent – these results were achieved against a nationwide picture of fewer top results being awarded.

Benenden's Class of 2023 are now studying at leading universities around the world. UK destinations include Oxford, Cambridge, UCL, LSE, Durham and Edinburgh. International courses are always popular at Benenden, with destinations this year including Columbia/Barnard, Columbia/Trinity, Boston and Toronto.

An incredible 82 per cent of all GCSE grades were at Levels 9-7 – the highest rate seen since 2016 excluding the Covid-affected years. The results represent Benenden's best GCSE results since the reformed GCSEs were introduced.

As part of its commitment to A Complete Education, we were delighted to launch the brand-new Electives Programme for the Lower School and Sixth Form. The Electives Programme steps outside the confines of syllabus and curriculum and embraces learning for the love of learning, revelling in the inherent value of knowledge. Students rotate through a wide range of esoteric courses (69 in total), ranging from the practical, such as An Introduction to Investments or British Sign Language, to the more curious, such as Decrypting Crosswords, Meteorology, and Metacognition.

Last year also saw Benenden's Art and Creative Technology Department reimagined and refreshed and Esports also emerged as a competitive phenomenon at School last year, resembling traditional sports with its human vs human competitive matches and captivating spectator experiences.

Some of our expert speakers last year included Baroness Barran MBE, Parliamentary Under Secretary of State at the Department for Education. She discussed her current role in the House of Lords, and her varied responsibilities. Renowned chef Marcus Wareing also urged Benenden students to pursue the things they love, outlining the array of career opportunities available in the food industry and encouraging the audience to pursue their passions.

Actors, singers and dancers in our Upper School wowed audiences with their exceptional rendition of Chicago, demonstrating their talent and dedication through a witty tale of crime, infamy and celebrity. Not to be outdone, the Upper Fourth's also gave an exceptional performance of Alan Ayckbourn's Ernie's Incredible Illusions. The Benenden community was also treated to a spectacular evening of Dance across a range of styles at the Benenden Dance Show.

We were delighted to host the National Schools' Lacrosse Championships for U14s in March and fantastic team and individual performances were displayed by Benenden players throughout the tournament. The Summer term saw two significant milestones for Cricket at Benenden. The U15 Cricketers travelled to Bede's School for their first ever Sussex League match and the U13s travelled to Sutton Valence School for their first ever hardball match.

An enterprising group of Benenden Upper Fifth students – collectively called the FABonoids – won the University of Cambridge Davidson Inventors Challenge 2023. As well as a cash prize, the students were invited to spend a couple of days in the university's labs.

A Six One student also won first prize in an essay competition organised by HMC Projects in Central and Eastern Europe, with an impressive and moving piece about her experience of education in a British boarding school. Detailing the student's adjustment to joining Benenden from Ukraine, the essay was described by HMC Projects as "outstanding".

Trips are back in full swing and in March some 28 Six Two students travelled to Kraków, Poland to experience three days fully immersed in Polish history and culture. During the Easter break, a group of keen Spanish students in the Fifth also set off on a six-day adventure to discover Valencia.

In October 2022 the School was visited by the Independent Schools Inspectorate for a routine Regulatory Compliance Inspection, which found the School to be compliant in all areas – the best possible outcome.

We are proud of our achievements at Benenden and are grateful to everyone who has been involved in this success. Our 2022-23 successes have led us neatly into our Centenary year, which at the time of writing we are enjoying celebrating.

### **Partnerships**

Benenden's Partnerships Programme continues to go from strength to strength, with more than 4,000 hours of outreach activities undertaken by students and staff at more than 30 different organisations including primary and secondary schools, libraries, care homes and social hubs. Over the year 2022-23 the approximate calculation was 2,030 staff hours devoted to partnerships activities, which was estimated to be in the region of £116,000 in terms of salary cost to the School.

During the year we enjoyed a range of events that were open to our partnered institutions and the wider community. We were delighted to welcome Year 12 and 13 students from 20 visiting schools to join our Sixth Formers for a conference organised in collaboration with the Girls' Schools Association and University College London, entitled The Art of Disagreeing Well. The conference sought to encourage openness, tolerance and empathy in debate.

Other events included the annual STEM Convention, a day dedicated to promoting STEM subjects through a vibrant programme including guest speakers, student-led presentation carousels and a bustling Science fair.

### **The John Wallis Church of England Academy**

Benenden continues to work closely with The John Wallis Academy to initiate and support activities. The Student Mentoring programme has been expanded to now run for two years, covering Year 10 to Year 11 for The John Wallis Academy pupils. This ensures a longer-term relationship between the two sets of pupils.

The attendance for the Benenden and John Wallis Academy Combined Cadet Force is up, with 56 pupils from the John Wallis Academy (up from 30 in the previous year, and with 50% now female). This figure has been matched by the Benenden contingent, resulting in the highest-attended Combined Cadet Force since its inception.

The John Wallis Academy is also connected to Benenden's partnership with the English National Opera which will form one of the highlights of the 2023-24 academic year. Two year groups from The John Wallis Academy Primary School also enjoyed forest school mornings in Benenden's woods in October.

### **The Volunteering Programme**

Volunteering has continued apace, with strong levels of commitment from the pupils on Tuesday afternoons. The programme incorporates 72 pupil volunteers, across 11 locations. We have managed to continue to ensure our partners are supported throughout the Autumn and Spring terms. The ethos of volunteering is firmly established within the Sixth Form with both year groups undertaking a term's placement with an average of 130 hours of student volunteering happening every week within the Autumn and Spring terms.

### **Kent Academies Network**

Benenden continues to support the Kent Academies Network, providing staff to assist in the candidate selection and to teach at the residential part of the summer course. Benenden is keen to play a more prominent role within the scheme and we are exploring how best this can be achieved.

### **The Local Hub**

The Wealden Hub is a group of local schools within the Weald of Kent, led by Benenden, which looks to utilise the resources of the schools to offer support, training and resources to colleagues in a range of schools. Benenden has supported some events with staff and resources. Growth in opportunities offered has continued and through the STEM partnerships many more schools have been able to take part in a range of initiatives.

Samantha Price

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# Governing Council's Report

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## Objects and Aims

The principal objects of the Company are to promote and provide for the advancement of the education of school age students, and to hold lectures, exhibitions, concerts, public meetings, classes, conferences, and other activities calculated directly or indirectly to advance the cause of education.

## Benenden School's Aims for its Students

Benenden School is an expert in educating young women. Above all, we want our students – whether, boarders or day students – to relish all that life in a boarding school has to offer, to enjoy their learning, develop intellectual curiosity and be ambitious, while learning to achieve balance in their lives.

In all that we do at Benenden, we foster the need to value oneself and others. In so doing, we expect each pupil to be a responsible and considerate citizen and we support her to grow into a confident, positive young woman who will play an active part in society.

By emphasising the importance of spiritual and personal growth, we help our pupils to develop self-knowledge, to become outward looking, courageous and compassionate, so that they will be inspired to make a difference both to our school community and throughout their lives for the benefit of others.

## Vision

Inspiring future thinkers and leaders to shape a better world.

## Mission

Through our Complete Education, we:

- Create a culture of intellectual curiosity
- Ignite a passion for creativity and innovation
- Nurture the value of community, and
- Inspire each individual to make a difference

This mission is underpinned by our values of confidence, compassion, courage and courtesy.

## Objectives

The Directors confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Company. Ensuring best practice across the board is a priority and the School continues to develop its policies and procedures for monitoring and evaluating this.

Members of Governing Council confirm that they have complied with their duty as directors, to have regard to the matters in section 172(1) of the Companies Act 2006. This duty is to act in good faith, to promote the success of the School whilst having regard to:

- the consequences of any decisions in the long term;
- the interests of the School's employees;
- the need to foster business relationships with suppliers, customers and others;
- the impact of the School's operations on the community and the environment;
- the desirability of maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the charitable company.

The Governing Council has promoted the success of the School by acting in good faith to assist the School to meet its aims and objectives. During the course of the year the Governing Council and the Senior Management Team have commenced a broad-based strategic review to consider how Benenden can best move forward into its next century. Operational, financial and strategic challenges continue around managing increased inflation and costs, balancing capital projects and planning for the potential implication of VAT on fees. Whilst these have had an impact on the operations and financial position of the School and will continue to do so for the foreseeable future, Governing Council is satisfied that the School remains both operationally and financially in a stable and secure position and the strategic review will ensure that the School continues to excel in all areas. Further details can be found in the Head's Review of the Year, the Financial Review and Principal Risks and Uncertainties.

Attracting and developing excellent teachers remains a priority for the School. Working with other local schools we continue to offer a comprehensive graduate teacher training programme and an integrated professional development programme for teaching staff to support their progression to middle and senior leadership

positions. This supports the development of outstanding teaching and leaders both at Benenden and within the wider profession. Career development for support staff also remains a focus with training provided both within the School and via attendance on a broad range of external courses. We also make active use of the Apprenticeship Levy funding to help develop colleagues in a range of roles.

The Staff Wellbeing Committee, with representatives from a wide range of roles within the School, is chaired by the First Deputy and gives colleagues an opportunity to discuss any aspect of the School. There is a weekly staff meeting that all colleagues can attend in person or remotely, either live or recorded, in which a broad range of matters are discussed. The Headmistress has a 'surgery' time on Wednesday mornings when any member of staff can drop in to discuss any concerns they may have and other members of the Senior Management Team and the People Services department have an open door policy and staff are encouraged to come and see them.

Benenden School is committed to securing equality of opportunity through the creation of an environment in which everyone is treated as an individual. By respecting and valuing diversity we can maximise our impact through meeting individual needs and staying in touch with the changing societies in which we work.

### **Plans for Future Periods**

Firstly, the entire Benenden community offers their congratulations to Mrs Samantha Price following her appointment as the Head of Cranleigh School and looks forward to welcoming Ms Rachel Bailey as Headmistress in September 2024. Ms Bailey has already started spending time at Benenden, getting to know the community ahead of her formally starting her new role.

The Centenary Vision Project (ten-year strategy plan) centres on a range of capital projects, together with fundraising for means-tested bursaries. The first three phases of the Project included the delivery of the All-Weather Pitch and Pavilion, Weston Crescent staff housing, the Centenary Buildings, and the first half of our ambitious fundraising campaign Be the Change which seeks to significantly increase the level of bursary support we are able to provide and to broaden our partnerships work. Since the Be the Change campaign launch by HRH The Princess Royal in January 2022 members of our community have committed £2.5 million of pledges towards the campaign target of £5 million.

The final phase of the Vision is The Centenary Campaign which launched in the 2023-24 academic year. The campaign goal is to raise £10 million for the vital restoration of Hemsted House, the modernisation of our Middle School Boarding Houses and sports facilities, and the continuation of our important bursary and partnerships work.

The School remains committed to continuing over the coming years the refurbishment of the Lower School boarding houses, building on the successful refurbishments of Medway and Marshall Houses in the summer of 2021, and refurbishment work to areas of Echyngam, Guldeford, Norris and Hemsted Houses during the summer of 2022 and 2023. Dorm floors have now been replaced across all four Sixth Form Founders Houses. Plans continue for the refurbishment of other areas together with the restoration of the roof to Hemsted and parts of Norris, which will be a significant undertaking.

Hemsted Park, which sits within the School as its Commercial Arts extension, formally commenced in early 2023. Hemsted Park aims to maximise the use of the extensive performing arts spaces within the School, including the Centenary Buildings and the Theatre, by hosting a range of performing arts events aimed at the local community. Performances to date have included the BBC Big Band, Ronnie Scott's All Stars and the London Film Music Orchestra. It is hoped that the performance schedule will continue to grow to several seasons per year, providing an additional revenue stream to the School whilst widening access to our site and facilities to the local community.

Reporting to the Finance Committee, planning has commenced for the possible introduction of VAT on school fees. Extensive modelling has been undertaken to understand the likely impact of VAT on the School and to consider any possible mitigations.

Benenden International Limited (BIL), a wholly owned subsidiary of Benenden School (Kent) Limited has continued to act on behalf of the School to facilitate access to the international school market and take advantage of other potential options for business diversification as and when suitable opportunities arise. BIL's primary purpose remains to provide an additional income stream for the School. On 1 September 2023, BIL opened its first international school in Guangzhou, China. The school, Benenden Bilingual School Guangzhou (BBSG), is the first of five Benenden international schools to be established within the region via a partnership with Chow Tai Fook Education Group (CTFEG), a Hong Kong-based educational group. During the pre-opening period, the staff of BIL have worked closely alongside the BBSG team in establishing the educational and operation models for the school, assisted with recruiting, and conducting pre-opening inspections. The first months of operation have proved to be very successful, with a strong opening pupil roll in what is a competitive

environment.

### Financial Review

The financial aims of the Governing Council include generating sufficient income to ensure the School is in a sound financial position. Sufficient surplus is required to enable the ongoing maintenance and investment in the School estate and to ensure that an appropriate level of reserves are held. The School is also seeking to increase funding for the bursary provision via a fundraising campaign. On a regular basis, the Finance Committee carefully reviews the financial results and forecasts of the School, which includes detailed scrutiny of cashflows on a short and longer term basis, the level of borrowings and capital expenditure. The outcome of these reviews is reported to and considered by the Governing Council.

Income (excluding donations) increased from £22.7 million to £24.6 million primarily due to an increase in fees receivable resulting from a rise in termly fees along with an increase in holiday sub-letting which returned to closer to pre-pandemic levels.

Expenditure increased from £21.5 million to £24.1 million primarily as a result of increased inflationary pressures and a change in the depreciation policy on some capital expenditure items. The surplus achieved of £1.5 million, including gifts, grants and donations, investment gains and trading income, enables the School to invest both for the future by way of capital projects and in its bursary programme. Significant borrowings have been undertaken for the development of the Centenary Buildings and adequate surpluses are required to ensure that this debt is serviced.

These financial results incorporate those of LASS Limited and Benenden International Limited. During the year LASS continued as the main trading arm of the School with the principal activity being the operation of the retail shop at the School. The shop stocks school uniform, stationery, sports equipment and pharmacy products for sale to the School community.

	2023	2022
Student numbers (average)	545	530
Fee concessions as a percentage of gross fees	7.80%	7.10%
Direct teaching costs as a percentage of gross fees	31.3%	34.5%
Increase in school fees	6.50%	3.75%

### Reserves

At 31 July 2023, the School had unrestricted funds of £51.0 million, of which £3.3 million were designated, and restricted funds totalling £5.7 million. The Governing Council has a long-standing policy to use revenue surpluses and borrowings as appropriate to improve the overall educational service and facilities provided by the School. It is the intention of the Governing Council that this policy of developing and improving the School be continued and any unrestricted surpluses will be used for this purpose.

The majority of designated funds relate to the Clarke Will fund of £3.2 million.

Governing Council continues to review the current asset position of the School to ensure that it has sufficient working capital to meet its obligations, having regard to the seasonal flow of income. The School anticipates that its ongoing activities will allow it to build a modest level of reserves to support an ongoing programme of development and improvements and to provide bursaries. The Directors regard 'free' reserves as being the reserves of the School after deducting fixed assets and any funds held as restricted or designated. On the basis described, there is a deficit of free reserves of £16.3 million (2022: £17.7 million). Similar to many other independent schools, the School has invested heavily in fixed assets which has resulted in this deficit.

### Advance Fees

The School operates an unsecured Fees in Advance (FIA) Scheme for the benefit of parents.

### Teachers' Pension Scheme

Following the considerable increases in cost to the School in relation to the Teacher's Pension Scheme (TPS) in recent years Governing Council elected to close membership of the Scheme to new teaching staff joining Benenden from September 2022. An alternative Defined Contribution pension and benefit scheme has been offered to teaching colleagues joining Benenden from September 2022. Following a thorough statutory consultation process with TPS members, which commenced in October 2022 an agreement was reached with staff whereby they have the option to remain in the TPS, but at a capped cost to the School, or alternatively move to the new Defined Contribution scheme. This took effect from January 2024 and as such has protected the School against future increases in the TPS employer contribution rate.

### Fundraising Practices

Fundraising is conducted through the School's Development Office. The principal aims for the year was the launch of a significant and ongoing bursary fundraising initiative to significantly increase the charitable funding available for means-tested full bursaries. This campaign has subsequently been widened to include fundraising towards the refurbishment of certain boarding houses and the Hemsted roof. Benenden Connects – the School's online portal, which brings Seniors, Parents, Friends, Staff and Sixth Formers together, has continued to grown in popularity.

In-person events in the year have included two New Parents' Dinners, a Benenden Society Reception in London to launch the School's Be the Change bursary and partnerships campaign; and Seniors' Day; as well as celebrations to mark the opening of the Centenary Buildings.

The School complies with the Fundraising Regulator's code of practice and there are no matters to report of the School failing to comply with fundraising standards. The School received no complaints about its fundraising activity in the year.

### Energy and carbon statement

The School engaged its utility consultants, Professional Energy Services, to review its greenhouse gas emissions and energy use data to compile a report to meet the SECR reporting requirements. The report was produced using interval meter data, full year billing data, travel expense claims, fuel cards and onsite vehicle fuel data. The table below summarises the energy use in the year relating to electricity, gas combustion and transport.

	<b>2023</b>	<b>2022</b>
Electricity use	1,761,796 kWh	1,911,915 kWh
Gas combustion	5,283,515 kWh	5,257,440 kWh
Transport	134,622 kWh	203,683 kWh
Total	7,179,933 kWh	7,373,038 kWh

The greenhouse gas emissions associated with the energy use identified in the table above are as follows:

	<b>2023</b>	<b>2022</b>
Electricity use	364.8 tCO <sub>2</sub> e	369.7 tCO <sub>2</sub> e
Gas combustion	966.5 tCO <sub>2</sub> e	960.0 tCO <sub>2</sub> e
Transport	33.5 tCO <sub>2</sub> e	29.1 tCO <sub>2</sub> e
Total	1,364.8 tCO <sub>2</sub> e	1,358.8 tCO <sub>2</sub> e

Due to the recent expansion works within the grounds the exact square footage is not known and has changed significantly. It has therefore been decided that the constant index will be student numbers.

The intensity ratio for Benenden School is 2.48 tCO<sub>2</sub>e (2022: 2.53 tCO<sub>2</sub>e) per student for the reporting year, based on 543 students (2022: 532 students).

The methodologies used in the identification and calculation of the provided information followed the processes described in the GHG Reporting Protocol – Corporate Standard. GHG Conversion Factors for electricity, gas and transport were taken from the UK Government GHG Conversion Factors for Company Reporting 2023.

In the year to 31 July 2023, Benenden School has insulated over 2,350m<sup>2</sup> of attic space in five separate buildings to improve heat retention and reduce heat loss, so saving on heating costs. Six boilers were replaced with more efficient plant. The boiler temperatures have been reduced and pump and motor times have been adjusted to save energy, and emissions. An ongoing programme of replacing old light fittings with new LED fittings has continued.

It is noted that the supply fuel mix will be taken into the procurement processes for energy with an active view on sourcing fully green electricity through a certified and backed supply chain as well as bio-gas and carbon offsetting initiatives for natural gas supply.

### Investment Policy

Governing Council is empowered within the Memorandum and Articles of Association to invest any monies as authorised by law and for the investment of trust monies in a manner it thinks fit. All investments have been acquired in accordance with the powers available to the Governing Council. The investment committee advise on the investment of school funds, including advance fee monies.

The investment portfolio is managed on a discretionary basis by Sarasin & Partners. Since inception of the

portfolio on 9 September 2019 up to 31 July 2023, the portfolio has achieved a total return of +20.0% (net of all costs) versus the bespoke benchmark return of +25.1%: ICE BofA Sterling Corporate & Collateralized Index (7.5%), ICE BofA UK Gilts All Stocks (7.5%), MSCI AC World (Local Currency) (GBP) (10%), MSCI All Countries World Daily (Net Total Return) (60%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), 2% per annum above SONIA (alternative assets) (10%). The ARC Steady Growth Peer Group returned 13.1% over the same period.

For the 12 months to July 2023, the portfolio returned +0.8%, ahead of the ARC Steady Growth Peer Group return of +0.2%. This reflects the challenges we have seen in markets over the year, with rhetoric from central banks remaining tough in a clear attempt to convince markets that interest rates will remain higher for longer to keep a lid on the potential for a resurgence of inflation.

Governing Council aims for the investment portfolio to provide a sufficient income to fund bursary commitments while preserving the real capital value of the portfolio to enable bursary funding for future generations. As a measure of performance, the long-term return target has been set at UK inflation (CPI) +4% over a 5 year rolling basis.

### **Principal Risks and Uncertainties**

The Directors continue to keep the School's activities under review and monitor performance.

#### Evaluation of Risk

The Risk Committee and the School Senior Management Team are heavily involved in assessing both the operational and strategic risks to the School. The School Risk Register is regularly reviewed, at least bi-annually, and kept up to date by the Senior Management Team. Risks are then reviewed by the Risk Committee, a sub-committee of the School's Governing Council. In addition to reviewing the risks to the School from the executive team's perspective, the Risk Committee has a specific remit to examine and assess the possible impact of risks to the School from external sources. The Risk Committee meets two times per year or more frequently if required. A separate group may be established to respond to a particular risk, with the most recent example being the now disbanded Coronavirus Response Group. The minutes of the Risk Committee and any specific focus groups are presented at the following Governing Council meeting. The Risk Register and the recommendations of the Risk Committee are reviewed at least annually by Governing Council and more frequently as required.

#### Strategic Planning

The School Strategic Plan, that is written by the Senior Management Team, and the School Development Plan that is derived from this, are reviewed at least annually to ensure that they are fit for purpose. The School Development Group, which includes both the Senior Management Team and members of the wider staff, meet regularly throughout the year to develop, and inform wider strategy for beyond the Centenary year. This group has informed the Governor Strategic Review group, which was formed in Spring 2023 and, together with the Senior Management Team, is progressing the wider strategic planning as Benenden moves beyond its Centenary. Governing Council meets, at least annually, with the Senior Management Team, for a wider strategy day.

Major strategic decisions are fully discussed and ratified by Governing Council. This process ensures that all projects are assessed for risk and are not entered into without appropriate due diligence. Both financial and operational reporting is embedded within the working patterns of the School. Key Performance Indicators are used at all levels to aid with the process of identifying risks. Once identified, the Senior Management Team and Governing Council will together make decisions to appropriately mitigate or accept those risks, calling upon professional expertise from external agencies if appropriate.

#### Financial Planning

The Finance Committee, in conjunction with the Director of Finance and Operations and Finance Bursar, are tasked with the development of financial models covering a range of eventualities as circumstances dictate. These models are tested on a regular basis.

#### Maintenance of educational quality

Educational excellence is at the heart of the School and the Senior Management Team is responsible for ensuring that this and the 'Complete Education' programme are reflected in the School's Strategic Development Plan. The Senior Management Team closely monitor the delivery of the educational offering in the academic, pastoral and co-curricular areas of the School. The School's success at achieving its educational aims and delivering its ethos is evaluated by both the Independent Schools Inspectorate and Governing Council supported by the Education and Safeguarding and Pastoral Care Committees. Teaching standards are

constantly under review within the School with the process being co-ordinated by the Senior Management Team. Student performance is regularly monitored with actions being taken to ensure that any issues are addressed. All staff benefit from an appraisal system to ensure that standards remain high. Training is available to keep all staff up to date with best practice. Following a review of the timetable an exciting range of Electives was introduced to the curriculum in September 2022. Taught by a range of Benenden staff the Electives cover a broad range of topics from outside the core curriculum, including sign language, journalism and local politics.

#### Ensuring safeguarding of students

The Governing Council reviews and approves the School policies relating to safeguarding on a regular, and at least annual, basis via the School Safeguarding and Pastoral Care sub-committee ensuring they are fit for purpose, are compliant and that they reflect School practice. The School Safeguarding and Pastoral Care sub-committee reports to the Governing Council on an annual basis with regular updates being provided when required. All staff are trained in safeguarding upon arrival and throughout their time at the School on an annual basis with regular updates throughout the year.

#### Health and Safety

Health and Safety at the School is managed via the Health and Safety Committee which in turn reports to the Estates Committee. A risk assessment and management process is in place throughout the School with regular reporting via the Estates Committee to Governing Council. The School had an independent external Health and Safety audit in June 2021 and at least once in every three yearly cycle.

#### Major Risks

The Directors consider that the major risks to which the School is currently exposed are:

1. **Economic and Political Risk**. The School has a robust system for assessing the effects of changes in political and economic factors that may affect the operation of the School in the short, medium and longer term. Specific risk in this category are:
  - a. **Introduction of VAT on independent school fees and loss of business rate relief by independent schools**. These are significant risks to the School and their impact on the school's finances and its parent base is being actively assessed by the Finance Committee. The School continues to work hard to support the independent sector on these issues via its engagement with the GSA, HMC, BSA and the ISBA.
  - b. **Wider economic environment**. The initial economic impact of Brexit has now expanded to include the ongoing economic effects of the war in Ukraine and the broader risk of recession. High inflation rates continue to affect many areas of the School, most notably within the utilities, domestic and staffing budgets. More broadly, inflation risks adversely affecting the affordability of the School within its market which ultimately could risk student numbers and retention. The School is actively managing costs in all areas.
  - c. **Geographical financial dependence**. A priority for the School is to ensure that students from all parts of the globe are able to join the School community. Financially, the Governing Council and Senior Management Team work to ensure that the risk for the School, due to the possibility of becoming dependent on one single market, is mitigated as far as possible.
  - d. **Changes to the educational regulatory environment in China**. The School has entered into an agreement with a Hong Kong-based education partner to develop five bi-lingual schools within China. Subsequent to the agreements being made, the Chinese government imposed substantial changes to the legislation affecting the operation of bi-lingual schools in the region. The majority of the changes had already been anticipated by the School as part of the agreement process; however the School continues to closely monitor the situation, via its international trading subsidiary Benenden International Limited, to ensure any risks to the future operations of the schools are mitigated.
2. **Cyber Security**

Cyber security risks remain high with the School being alert to the risk of a cyber-attack and the risk of failure of IT security procedures. All staff are regularly trained to be aware of cyber risks. Appropriate security measures, which include external testing of IT security systems are undertaken on a regular basis.

#### **Reference and Administrative Details**

Benenden School (Kent) Limited is a limited company with charitable status. The Directors of the company, who are the Trustees of the charity, are the members of the Governing Council of Benenden School. The School's directors, advisers and key staff are set out on pages 38 - 40.

## **Structure, Governance and Management**

The Company was constituted on 13 March 1924. The Memorandum and Articles of Association have been amended over the years, with the latest amendment on 7 December 2018. The Company was granted Charitable Status in 1941.

The Nominations Committee is responsible for the recruitment of Governing Council Members. Any prospective Governing Council Member must meet criteria set out by Governing Council including personal competence, specialist skills and availability. Nominations are discussed, and appointments made at Governing Council meetings. A comprehensive induction for newly appointed Governing Council Members is organised by the Clerk to the Governing Council. Governing Council Members have access to AGBIS sponsored training workshops and other training as required.

The Governing Council Members determine the general policy of the School. Day to day management of the School is delegated to the Headmistress with the Senior Management Team of the School.

The Charity has two wholly-owned non-charitable subsidiaries, Lime Avenue Sales and Services Limited (LASS Ltd) and Benenden International Limited (BIL), whose activities and trading performance are discussed in note 4 to the accounts.

The Benenden School Hong Kong Trust (the HKT) is independent of the School and the Governing Council, and no School shareholders are members of the HKT. Its objectives are to promote and provide for the advancement of education.

### **Policies Adopted for Setting Remuneration of Key Management Personnel**

The Remuneration Committee reviews the pay and remuneration of all staff including the Senior Management Team as detailed on page 39. Consideration when setting pay is given to the role and responsibilities, competitor salaries in the region, average salary for comparable positions in the sector, market trends and sector benchmarking which has been supplemented by the employment of external experts to review both Senior Management Team and teacher pay scales.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors (who are also the trustees of the charitable company) are responsible for preparing the Report of the Governing Council and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

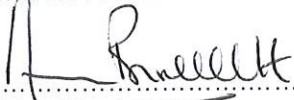
So far as each of the Directors is aware at the time the report is approved:

- a. there is no relevant audit information of which the charitable company and group's auditors are unaware; and
- b. the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

A resolution proposing the re-appointment of Haysmacintyre as auditors will be submitted to the Annual General Meeting.

Report of the Governing Council, incorporating a Strategic Report, approved by the members of Governing Council on 13 March 2024 and signed on its behalf by



.....  
The Hon Mrs A Birkett  
Chairman

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# Independent Auditor's Report to The Members of Benenden School (Kent) Limited

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## Opinion

We have audited the financial statements of Benenden School (Kent) Limited for the year ended 31 July 2023 which comprise Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement 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 group's and of the parent charitable company's affairs as at 31 July 2023 and of the group's and parent charitable company's net movement in funds, including the 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 group 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 directors' 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 group'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 directors with respect to going concern are described in the relevant sections of this report.

## Other information

The directors are responsible for the other information. The other information comprises the information included in the Governing Council's Report, the Chairman's Introduction and the Head's 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governing Council's Report (which includes the strategic report and 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 strategic report and the directors' report included within the Governing Council's Report have 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governing Council's Report (which incorporates the strategic report and the directors' 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 by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on pages 11-12, the directors 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 directors 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 directors are responsible for assessing the group's and the parent 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 directors either intend to liquidate the group or the parent 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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to The Education (Independent School Standards) Regulations 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Companies Act 2006 and consider other factors such as payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management and review of Governing Council's meeting minutes and papers, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted at the year end; and
- Challenging assumptions and judgements made by management in their critical accounting 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 for the audit of the financial statements is located on the Financial

Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Tracey Young". The signature is written in a cursive style with a large, sweeping 'Y' and 'J'.

Tracey Young (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditor  
10 Queen Street Place  
London  
EC4R 1AG

Date: 30 April 2024

**BENENDEN SCHOOL (KENT) LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 JULY 2023**

		Unrestricted Funds			Total	Total
	Notes	General Funds	Designated Funds	Restricted Funds	2023	2022
		£ '000	£ '000	£ '000	£ '000	£ '000
<b>INCOME FROM:</b>						
<b>Charitable activities</b>						
School fees	2	21,909	-	-	21,909	20,279
Ancillary trading income	3	1,900	-	-	1,900	1,442
<b>Other trading activities</b>						
Trading company	4	380	-	-	380	379
<b>Investment income</b>	5	1	1	-	2	569
<b>Voluntary sources</b>						
Grants and donations	6	92	-	923	1,015	624
<b>Total Income</b>		<b>24,282</b>	<b>1</b>	<b>923</b>	<b>25,206</b>	<b>23,293</b>
<b>EXPENDITURE ON:</b>						
<b>Raising funds</b>						
Trading costs	4	382	-	-	382	326
Fundraising costs		396	-	-	396	390
Financing costs	8	625	-	-	625	263
Investment management		7	16	9	32	32
		1,410	16	9	1,435	1,011
<b>Charitable activities</b>						
Educational activities and grant making		22,498	-	179	22,677	20,496
<b>Total Expenditure</b>	7	<b>23,908</b>	<b>16</b>	<b>188</b>	<b>24,112</b>	<b>21,507</b>
<b>NET INCOME BEFORE TAX</b>		<b>374</b>	<b>(15)</b>	<b>735</b>	<b>1,094</b>	<b>1,786</b>
Taxation payable		-	-	-	-	-
<b>NET INCOME AFTER TAXATION BEFORE INVESTMENTS GAINS/(LOSSES)</b>		<b>374</b>	<b>(15)</b>	<b>735</b>	<b>1,094</b>	<b>1,786</b>
Investment gains/(losses)	11	20	40	(4)	56	(131)
Gain on Interest Rate Swap		389	-	-	389	-
<b>NET INCOME AFTER TAXATION AND INVESTMENTS GAINS/(LOSSES)</b>		<b>783</b>	<b>25</b>	<b>731</b>	<b>1,539</b>	<b>1,655</b>
Transfers	18, 19	188	-	(188)	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>971</b>	<b>25</b>	<b>543</b>	<b>1,539</b>	<b>1,655</b>
Balance brought forward at 1 August 2022		46,652	3,333	5,172	55,157	53,502
Balance carried forward at 31 July 2023	17, 18, 19	47,623	3,358	5,715	56,696	55,157

The notes on pages 20 to 37 form part of these accounts. All amounts derive from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities. Comparative figures for unrestricted and restricted movements as shown in note 24.

	Notes	GROUP		CHARITY	
		2023 £ '000	2022 £ '000	2023 £ '000	2022 £ '000
<b>FIXED ASSETS</b>					
Tangible assets	10	63,959	64,332	63,881	64,250
Investments	11	6,619	6,596	6,619	6,596
Investment in subsidiaries	11	-	-	-	-
		<u>70,578</u>	<u>70,928</u>	<u>70,500</u>	<u>70,846</u>
<b>CURRENT ASSETS</b>					
Stock		219	177	58	43
Debtors: amounts falling due within one year	12	2,235	1,815	2,272	1,805
Cash at bank and in hand		6,920	4,407	6,912	4,378
		<u>9,374</u>	<u>6,399</u>	<u>9,242</u>	<u>6,226</u>
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(4,508)</u>	<u>(7,124)</u>	<u>(4,339)</u>	<u>(6,975)</u>
<b>NET CURRENT ASSETS</b>		<u>4,866</u>	<u>(725)</u>	<u>4,903</u>	<u>(749)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>75,444</u>	<u>70,203</u>	<u>75,403</u>	<u>70,097</u>
<b>CREDITORS: amounts falling due after more than one year</b>	14	<u>(18,748)</u>	<u>(15,046)</u>	<u>(18,748)</u>	<u>(15,046)</u>
<b>NET ASSETS</b>		<u><u>56,696</u></u>	<u><u>55,157</u></u>	<u><u>56,655</u></u>	<u><u>55,051</u></u>
<b>FUNDS AND CAPITAL</b>					
Unrestricted Funds:	19				
- General		47,623	46,652	47,582	46,546
- Designated		3,358	3,333	3,358	3,333
Restricted Income Funds	18	5,715	5,172	5,715	5,172
Called up share capital	20	-	-	-	-
<b>TOTAL FUNDS</b>		<u><u>56,696</u></u>	<u><u>55,157</u></u>	<u><u>56,655</u></u>	<u><u>55,051</u></u>

The notes on pages 20 to 37 form part of these financial statements.

In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Benenden School (Kent) Limited. The Charity income for the year was £25.2m (2022: £22.9m) with a surplus of £1.6m (2022: £1.6m).

The financial statements were approved and authorised for issue by the Governing Council on 13 March 2024 and signed on its behalf by:

  
 The Hon Mrs A Birkett  
 Governing Council Member

  
 Anne McNab  
 Governing Council Member

**BENENDEN SCHOOL (KENT) LIMITED  
CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JULY 2023**

	2023		2022	
	£ '000	£ '000	£ '000	£ '000
<b>Net cash flow from operations</b>				
Net movement in funds	1,539		1,655	
Depreciation charges (Note 10)	2,694		1,388	
Investment income	(2)		(569)	
Financing costs	625		263	
Loss on disposal of fixed assets	2		-	
Investment managers charges	32		32	
Investments (gains)/losses	(56)		173	
(Increase) in debtors	(420)		(162)	
(Decrease)/increase in creditors (excluding fees in advance)	(2,524)		1,257	
(Increase)/decrease in stock	(42)		26	
(Decrease) in advanced fees	(205)		(248)	
<b>Net cash provided by operations</b>		1,643		3,815
<b>Net cash flow from investing activities</b>				
Investment income	2		569	
Investment managers fees	(32)		(32)	
Proceeds from sale of investments	19		31	
Purchase of investments	-		(10)	
Payments for tangible fixed assets	(2,324)		(9,910)	
<b>Net cash used in investing activities</b>		(2,335)		(9,352)
<b>Cash flows from Financing</b>				
Cash inflows from new borrowing	3,965		3,806	
Financing costs	(625)		(263)	
Repayments	(150)		-	
<b>Net cash provided by financing activities</b>		3,190		3,543
<b>Increase in cash and cash equivalents</b>		<b>2,498</b>		<b>(1,994)</b>
<b>Cash and cash equivalents at beginning of the period</b>		4,288		6,282
<b>Cash and cash equivalents at the end of the period</b>		6,786		4,288

**ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2023	2022
	£ '000	£ '000
Cash in hand and at bank	6,644	4,073
Cash on deposit	276	334
Bank overdraft (subsidiary)	(134)	(119)
	6,786	4,288

**BENENDEN SCHOOL (KENT) LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2023**

**ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1 August 2022</b>	<b>Cash flows</b>	<b>Non-cash movements</b>	<b>At 31 July 2023</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Cash	4,073	2,571	-	6,644
Deposits	334	(58)	-	276
Bank overdraft (subsidiary)	(119)	(15)	-	(134)
	<u>4,288</u>	<u>2,498</u>	<u>-</u>	<u>6,786</u>
Loan: Less than one year	(331)	(269)	-	(600)
Loan: Greater than one year	(10,704)	(3,546)	-	(14,250)
	<u>(6,747)</u>	<u>(1,317)</u>	<u>-</u>	<u>(8,064)</u>

## **1. ACCOUNTING POLICIES**

### **Basis of preparation**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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) - Second Edition.

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

The Governing Council consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements

These financial statements consolidate the results of the School and its wholly-owned subsidiaries; Lime Avenue Sales & Services Limited (LASS Ltd) and Benenden International Limited (BIL), on a line by line basis.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 13 March 1924 (company number: 00196353) and registered as a charity in 1941 (charity number: 307854).

### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, Directors are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, the principal judgement and source of estimation uncertainty relates to the valuation of the interest rate swap (as detailed in 1.13).

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

#### **1.1 Fees and similar earned income**

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

#### **1.2 Investment income**

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

**1. ACCOUNTING POLICIES (continued)**

**1.3 Donations, legacies, grants and other voluntary income**

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

**1.4 Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the Statement of Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the School and its subsidiaries are excluded from trading income and expenditure.

**1.5 Taxation**

Benenden School (Kent) Limited is a registered charity and therefore, is not liable to income tax of corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. Income generated outside these charitable activities are liable to tax.

**1.6 Tangible fixed assets**

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £1,000 together with vehicles, furniture, machinery, ICT infrastructure and other equipment costing more than £300 are capitalised and carried in the balance sheet at historical cost. ICT equipment costs less than £300 are written off as incurred.

Other expenditure on equipment incurred in the normal day-to-day running of the School and its subsidiary is charged to the Statement of Financial Activities as incurred.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal annual instalments over their expected useful economic lives as follows:

Freehold Property	- 2% - 10% on cost
Furniture and Equipment:	
- Furniture, Equipment and IT	- 20% - 33% on cost
- Motor Vehicles	- 33% on cost

No depreciation is provided on freehold land.

**1.7 Investments**

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets. Investments in subsidiaries are valued at cost less provision for impairment.

1. ACCOUNTING POLICIES (continued)

**1.8 Stock**

Stock represents goods for resale and is valued at the lower of cost and net realisable value.

**1.9 Fund accounting**

The charitable trust funds of the School are accounted for as unrestricted or restricted income in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

**Unrestricted** income belongs to the School's corporate reserves, spendable at the discretion of the Governing Council either to further the School's Objects or to benefit the School itself. Where the Governing Council decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Advance fee funds represent the excess assets over liabilities in the old Fees Safeguard Plan which will be used for bursaries.

The Clarke Will fund has been set aside primarily for the funding of bursaries.

**Restricted** funds represent amounts donated to the School for specific purposes such as funding building developments, scholarships, seniors' bursaries and prizes.

**1.10 Pension costs**

Retirement benefits to employees of the School are provided through two pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

(a) The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

(b) The TPT Retirement Solutions (formerly The Pensions Trust) Growth Plan Fund - The plan is a multi-employer scheme, partly money purchase and partly with defined benefits. It is not possible to identify the School's share of the underlying assets and liabilities and therefore as required by FRS102, the School accounts for the scheme as if it were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of the deficit contributions. Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability.

**1.11 Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**1.12 Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023**

**1.13 Hedging arrangements**

The School applies hedge accounting for transactions entered into to manage the cash flow exposures of borrowings.

Changes in the fair values of derivatives designated as cash flow hedges, and which are effective, are recognised directly in other recognised gains and losses in the Statement of Financial Activities. Changes in fair values which are ineffective are recognised within income or expenditure in the Statement of Financial Activities – in line with the hedge accounting treatment above.

Included within these financial statements is the fair value of an interest rate swap contract. The fair value of this interest rate swap is provided by the counterparty. However, the value of the swap is estimated based on SONIA rates and is therefore subject to the interest rate market.

<b>2. SCHOOL FEES</b>	<b>2023</b>	<b>2022</b>
	<b>£ '000</b>	<b>£ '000</b>
Fees receivable comprises		
Current fees	23,576	21,729
Less: Allowances, Scholarships and Bursaries	(1,848)	(1,552)
	<u>21,728</u>	<u>20,177</u>
Add: Amount from The Benenden School Hong Kong Trust	2	1
Bursaries and other awards paid for by restricted funds	179	101
	<u>21,909</u>	<u>20,279</u>

Scholarships, bursaries and other awards were paid to 102 students (2022: 113 students). Within this, means tested bursaries totalling £1,417,000 were paid to 42 students (2022: £1,165,000 to 43 students).

<b>3. ANCILLIARY TRADING INCOME</b>	<b>2023</b>	<b>2022</b>
	<b>£ '000</b>	<b>£ '000</b>
Fee income for extra subjects	1,080	976
Entrance and registration fees	103	67
Courses and sub-lettings	405	130
Other income	312	269
	<u>1,900</u>	<u>1,442</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023 (continued)**

**4. INCOME FROM SUBSIDIARIES TRADING ACTIVITIES**

The Charity owns the whole of the share capital of two trading subsidiaries, Lime Avenue Sales & Services Limited (LASS Ltd), a company registered in the United Kingdom with number 1794097 and Benenden International Limited (BIL), a company registered in the United Kingdom with number 12166808.

Lime Avenue Sales & Services Limited continued as the main trading arm of the School and operated the School retail shop, supplying staff, students, visitors and the School with a range of products on a continuing basis.

Benenden International Limited was set up to explore the options for business diversification and access the international market. On 25 November 2020 BIL signed an agreement with Chow Tai Fook Education Group (CTFEG), a Hong Kong based educational group, to establish five Benenden international schools in China. The first school in the group will open in September 2023.

The trading results for the year, as extracted from the audited accounts, are summarised below:

	LASS		BIL	
	2023	2022	2023	2022
	£ '000	£ '000	£ '000	£ '000
Turnover	332	304	90	108
Cost of Sales	(196)	(179)	-	-
Gross Profit	136	125	90	108
Administrative Expenses	(96)	(96)	(132)	(84)
Operating profit	40	29	(42)	24
Interest payable	(10)	(5)	-	-
Net profit	30	24	(42)	24
Corporation Tax	-	-	-	-
Profit after Tax	30	24	(42)	24
Retained profit brought forward	82	77	24	238
Profit after Tax	30	24	(42)	24
Gift aid under covenant	(28)	(19)	(25)	(238)
Retained profit carried forward	84	82	(43)	24

Turnover in LASS Ltd includes £42,000 (2022: £33,000) supplied to the School, which is an intercompany transfer excluded on consolidation and does not show in the Statement of Financial Activities. At 31 July 2023 there was a £NIL balance owed to LASS Ltd by the School (2022: £2,000 balance owed to LASS Ltd by the School) and a £45,000 balance owed to the School from BIL (2022: £nil).

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023 (continued)**

The balance sheets for the year, as extracted from the audited accounts, are summarised below:

	LASS		BIL	
	2023	2022	2023	2022
	£ '000	£ '000	£ '000	£ '000
Fixed assets	78	82	-	-
Current assets	171	148	6	27
Less current liabilities	(165)	(148)	(48)	(3)
<b>Net assets</b>	<b>84</b>	<b>82</b>	<b>(42)</b>	<b>24</b>
Called up share capital	-	-	-	-
Profit and loss account	84	82	(42)	24
	<u>84</u>	<u>82</u>	<u>(42)</u>	<u>24</u>

5. INVESTMENT INCOME	Unrestricted	Designated	Restricted	Total
	£ '000	£ '000	£ '000	£ '000
Fixed Interest	1	1	-	2
	<u>1</u>	<u>1</u>	<u>-</u>	<u>2</u>

COMPARATIVE INVESTMENT INCOME – 2022				
	Unrestricted	Designated	Restricted	Total
	£ '000	£ '000	£ '000	£ '000
Change in Fair Value of Interest Rate Swap	568	-	-	568
Fixed Interest	1	-	-	1
	<u>569</u>	<u>-</u>	<u>-</u>	<u>569</u>

6. GRANTS AND DONATIONS	Unrestricted	Designated	Restricted	Total
	£ '000	£ '000	£ '000	£ '000
Development and other donations	92	-	923	1,015
	<u>92</u>	<u>-</u>	<u>923</u>	<u>1,015</u>

COMPARATIVE GRANTS AND DONATIONS – 2022				
	Unrestricted	Designated	Restricted	Total
	£ '000	£ '000	£ '000	£ '000
Development and other donations	42	-	582	624
	<u>42</u>	<u>-</u>	<u>582</u>	<u>624</u>

BENENDEN SCHOOL (KENT) LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 JULY 2023 (continued)

7. (a) ANALYSIS OF EXPENDITURE

	Staff Costs	Other	Depreciation and Impairment	Total
EXPENDITURE	£ '000	£ '000	£ '000	£ '000
<b>Costs of raising funds:</b>				
Trading costs	75	303	4	382
Fundraising costs	237	159	-	396
Financing costs	-	625	-	625
Investment manager's fees	-	32	-	32
<b>Total costs of raising funds</b>	<b>312</b>	<b>1,119</b>	<b>4</b>	<b>1,435</b>
<b>Charitable activities</b>				
Education:				
Teaching costs	7,009	361	-	7,370
Welfare costs	3,600	1,225	-	4,825
Premises costs	553	1,526	2,263	4,342
Support and governance costs	2,748	2,786	427	5,961
Grants, awards and prizes	-	179	-	179
<b>Total charitable expenditure</b>	<b>13,910</b>	<b>6,077</b>	<b>2,690</b>	<b>22,677</b>
<b>Total expenditure</b>	<b>14,222</b>	<b>7,196</b>	<b>2,694</b>	<b>24,112</b>

7 (a) COMPARATIVE ANALYSIS OF EXPENDITURE – 2022

	Staff Costs	Other	Depreciation and Impairment	Total
EXPENDITURE	£ '000	£ '000	£ '000	£ '000
<b>Costs of raising funds:</b>				
Trading costs	74	248	4	326
Fundraising costs	210	180	-	390
Financing costs	-	263	-	263
Investment manager's fees	-	32	-	32
<b>Total costs of raising funds</b>	<b>284</b>	<b>723</b>	<b>4</b>	<b>1,011</b>
<b>Charitable activities</b>				
Education:				
Teaching costs	7,125	375	-	7,500
Welfare costs	3,673	991	-	4,664
Premises costs	501	1,394	1,100	2,995
Support and governance costs	2,737	2,215	284	5,236
Grants, awards and prizes	-	101	-	101
<b>Total charitable expenditure</b>	<b>14,036</b>	<b>5,076</b>	<b>1,384</b>	<b>20,496</b>
<b>Total expenditure</b>	<b>14,320</b>	<b>5,799</b>	<b>1,388</b>	<b>21,507</b>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023 (continued)**

<b>7 (b) GOVERNANCE INCLUDED IN SUPPORT COSTS</b>	<b>2023</b>	<b>2022</b>
	<b>£ '000</b>	<b>£ '000</b>
Remuneration paid to auditor for audit services	41	35
Remuneration paid to auditor for other services	4	5
Governors' reimbursement of expenses - travel	2	2
Other governance costs	135	93
	<u>182</u>	<u>135</u>
Number of Governing Council members reimbursed for expenses in the year	5	2
<b>7. (c) MOVEMENT IN FUNDS</b>	<b>2023</b>	<b>2022</b>
	<b>£ '000</b>	<b>£ '000</b>
Group net movement in funds is stated after charging:		
Depreciation and impairment	2,694	1,388
Operating lease rentals		
- land and buildings	-	-
- other	89	62
	<u>89</u>	<u>62</u>
<b>7. (d) Grants, awards, and prizes</b>	<b>2023</b>	<b>2022</b>
	<b>£ '000</b>	<b>£ '000</b>
<b>From restricted funds</b>		
Bursaries and other awards	179	101
	<u>179</u>	<u>101</u>
<b>8. FINANCING COSTS</b>	<b>2023</b>	<b>2022</b>
	<b>£ '000</b>	<b>£ '000</b>
Fees in advance debt financing	6	6
Loan interest and bank charges	619	257
	<u>625</u>	<u>263</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023 (continued)**

**9. STAFF COSTS**

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
The average number employed by the company within each category of persons was:		
Teaching (including peripatetic teachers)	146	144
Welfare	35	34
Premises	13	13
Support	197	195
	<u>391</u>	<u>386</u>
	<u><u>391</u></u>	<u><u>386</u></u>
	<b>£ '000</b>	<b>£ '000</b>
The costs incurred in respect of these employees were:		
Wages and salaries	11,218	11,284
Social Security costs	1,169	1,189
Pension costs	1,681	1,711
Termination payment	154	10
	<u>14,222</u>	<u>14,194</u>
	<u><u>14,222</u></u>	<u><u>14,194</u></u>
Aggregate employee costs of key management personnel	<u>1,277</u>	<u>1,252</u>
	<u><u>1,277</u></u>	<u><u>1,252</u></u>
The number of higher paid employees was:	<b>No.</b>	<b>No.</b>
Taxable emoluments band:		
£60,000 - £70,000	28	16
£70,000 - £80,000	9	9
£80,000 - £90,000	3	2
£90,000 - £100,000	2	-
£100,000 - £110,000	-	1
£110,000 - £120,000	1	1
£130,000 - £140,000	-	1
£140,000 - £150,000	1	-
£210,000 - £220,000	1	1
	<u>1</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>1</u></u>
The number with retirement benefits accruing was:	<b>No.</b>	<b>No.</b>
In defined contribution schemes	9	7
In defined benefit schemes	36	23
	<u>36</u>	<u>23</u>
	<u><u>36</u></u>	<u><u>23</u></u>
	<b>£ '000</b>	<b>£ '000</b>
In defined contribution schemes	71	60
In defined benefit schemes	605	412
	<u>605</u>	<u>412</u>
	<u><u>605</u></u>	<u><u>412</u></u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023 (continued)**

**10. TANGIBLE FIXED ASSETS**

	Freehold Property £'000	Furniture and equipment £'000	Assets Under construction £'000	Charity Total £'000	Subsidiary Property and equipment £'000	Group Total £'000
<b>COST</b>						
At 1 August 2022	54,988	1,244	25,086	81,318	142	81,460
Additions	1,905	369	50	2,324	-	2,324
Disposals	(3)	-	-	(3)	-	(3)
Reclassifications	24,718	367	(25,085)			-
At 31 July 2023	81,608	1,980	51	83,639	142	83,781
<b>DEPRECIATION</b>						
At 1 August 2022	16,118	950	-	17,068	60	17,128
Charge for the year	2,263	427	-	2,690	4	2,694
On Disposals	-	-	-	-	-	-
At 31 July 2023	18,381	1,377	-	19,758	64	19,822
<b>NET BOOK VALUE</b>						
At 31 July 2023	63,227	603	51	63,881	78	63,959
At 31 July 2022	38,870	294	25,086	64,250	82	64,332

**11. INVESTMENTS**

	2023 £ '000	2022 £ '000
<b>Group and company</b>		
At Market Value		
At 1 August 2022	6,596	6,790
Additions	-	10
Disposals	(19)	(31)
Investment Manager's Fees charged to Portfolio	(32)	(42)
Revaluations to closing or sale at Market Value	74	(131)
At 31 July 2023	6,619	6,596
Listed	5,986	5,688
Historical cost	6,274	6,108

Included within the charity balance sheet is £2 investment in the subsidiary companies (see note 4).

All the above investments (other than the subsidiary company) are quoted on a recognised UK Stock Exchange or are valued by reference to investments listed on a recognised UK Stock Exchange.

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023 (continued)**

12. DEBTORS	Group		Charity	
	2023 £ '000	2022 £ '000	2023 £ '000	2022 £ '000
Fee debtors less refundable deposits	469	386	469	386
Other debtors	164	103	159	96
Prepayments and accrued income	783	876	780	873
Amounts owed by trading subsidiaries	-	-	45	-
Interest Rate Swap asset	819	450	819	450
	<u>2,235</u>	<u>1,815</u>	<u>2,272</u>	<u>1,805</u>
The bad debt expense for the period was	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
13. CREDITORS: amounts falling due within one year	Group		Charity	
	2023 £ '000	2022 £ '000	2023 £ '000	2022 £ '000
Loans and overdrafts	745	476	611	357
Trade creditors	789	928	781	919
Fees received in respect of Autumn Term	744	757	744	757
Social Security and Other Taxes	293	304	282	293
Student deposits	603	607	603	607
Pensions Trust creditor	50	50	50	50
Other creditors	164	37	163	37
Accruals and deferred income	727	3,543	712	3,533
Amounts owed to trading subsidiaries	-	2	-	2
Advance fees (see note 16)	393	420	393	420
	<u>4,508</u>	<u>7,124</u>	<u>4,339</u>	<u>6,975</u>
14. CREDITORS: amounts falling due after more than one year	Group		Charity	
	2023 £ '000	2022 £ '000	2023 £ '000	2022 £ '000
Students' deposits	4,071	3,692	4,071	3,692
Advance fees (see note 16)	402	580	402	580
Bank loan (see note 15)	14,250	10,704	14,250	10,704
Pensions Trust Creditor	25	70	25	70
	<u>18,748</u>	<u>15,046</u>	<u>18,748</u>	<u>15,046</u>
15. BANK LOAN				
On 28 March 2019 the School entered into a Facility Agreement with HSBC relating to a Revolving Loan Facility of up to £15m which converted to a Term Loan Facility. A hedging instrument was put in place in the form of an Interest Rate Swap. The loan interest is a floating rate but is fixed at 2.37% until 30 April 2029 through the swap which at 31 July 2023 represented 50% of the loan drawdown value.				
			2023 £ '000	2022 £ '000
After 5 years			11,850	8,939
Within 2 to 5 years			1,800	1,324
Within 1 to 2 years			600	441
			<u>14,250</u>	<u>10,704</u>
Within 1 year			600	331
			<u>14,850</u>	<u>11,035</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023 (continued)**

**16. ADVANCE FEES**

Under the School's fees in advance schemes, contributors may enter into a contract to pay to the School up to the equivalent of seven years' tuition fees in advance. The liability is valued at the balance sheet date, but has been allocated assuming that students will remain in the School for the normal duration:

	<b>2023</b>	<b>2022</b>
	<b>£ '000</b>	<b>£ '000</b>
After 5 years	-	49
Within 2 to 5 years	193	271
Within 1 to 2 years	209	260
	<u>402</u>	<u>580</u>
Within 1 year	393	420
	<u>795</u>	<u>1,000</u>

The movements during the year on the accrued liability under the contracts were:

Balance at 1 August 2022	1,000
New contracts	334
	<u>1,334</u>
Amounts utilised in payment of fees to the School:	475
	<u>(475)</u>
Capital repaid	(64)
	<u>795</u>
Balance at 31 July 2023	<u><u>795</u></u>

**17. ALLOCATION OF THE GROUP'S NET ASSETS EXCLUDING SHARE CAPITAL**

	<b>Fixed Assets</b>	<b>Investments</b>	<b>Net current Assets/ (Liabilities)</b>	<b>Long term Liabilities</b>	<b>Fund Balances</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Unrestricted funds					
- Designated (Fees Safeguard Plan)	-	-	152	-	152
- Designated (Clarke Will)	-	3,206	-	-	3,206
- General	63,881	1,585	864	(18,748)	47,582
Restricted funds	-	1,828	3,887	-	5,715
	<u>63,881</u>	<u>6,619</u>	<u>4,903</u>	<u>(18,748)</u>	<u>56,655</u>
<b>Charity funds</b>					
Subsidiary's reserves	78	-	(37)	-	41
	<u>63,959</u>	<u>6,619</u>	<u>4,866</u>	<u>(18,748)</u>	<u>56,696</u>
<b>Group funds</b>					

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023 (continued)**

**17. ALLOCATION OF THE GROUP'S NET ASSETS  
EXCLUDING SHARE CAPITAL – 2022**

	Fixed Assets £ '000	Investments £ '000	Net current Assets/ (Liabilities) £ '000	Long term Liabilities £ '000	Fund Balances £ '000
Unrestricted funds					
- Designated (Fees Safeguard Plan)	-	-	151	-	151
- Designated (Clarke Will)	-	3,182	-	-	3,182
- General	64,250	1,572	(4,230)	(15,046)	46,546
Restricted funds	-	1,842	3,330	-	5,172
<b>Charity funds</b>	<b>64,250</b>	<b>6,596</b>	<b>(749)</b>	<b>(15,046)</b>	<b>55,051</b>
Subsidiary's reserves	82	-	24	-	106
<b>Group funds</b>	<b>64,332</b>	<b>6,596</b>	<b>(725)</b>	<b>(15,046)</b>	<b>55,157</b>

**DESIGNATED FUNDS**

Designated funds comprise unrestricted funds that have been set aside by the Governing Council and consist of the retained surplus in the Fees Safeguard Plan and the Clarke Will Fund. The Fees Safeguard Plan fund represents the current surplus of assets of the Fees Safeguard Plan over its liabilities, whereas the Clarke Will fund has been set aside for the funding of bursaries.

**RESTRICTED FUNDS**

Restricted funds consist of those detailed in Note 18 and are held for the purpose of providing bursaries, scholarships and building work.

**18. RESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 August 2022 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Investment Gains/(Losses) and Transfers £ '000	Balance at 31 July 2023 £ '000
Restricted Funds:						
Restricted Income funds	820	-	-	(46)	3	777
Seniors Bursary Fund	679	2	-	(14)	8	675
Trust Scholarships	836	-	-	(4)	10	842
Sacha and Susannah Stephens' Bursary	83	-	-	-	1	84
Founders Memorial Scholarship Fund	33	-	-	-	-	33
Founders Memorial Event Fund	23	-	-	-	-	23
Hunt Memorial Concert Fund	39	-	-	-	(27)	12
Trust Award	27	6	-	(9)	-	24
Heart of Benenden	2,434	800	-	(36)	(187)	3,011
Founders Scholarship	198	115	-	(79)	-	234
	<u>5,172</u>	<u>923</u>	<u>-</u>	<u>(188)</u>	<u>(192)</u>	<u>5,715</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023 (continued)**

**2022 COMPARATIVE RESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 August 2021 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Investment Gains/(Losses) and Transfers £ '000	Balance at 31 July 2022 £ '000
Restricted Funds:						
Restricted Income funds	825	-	-	(1)	(4)	820
Seniors Bursary Fund	681	41	-	(30)	(13)	679
Trust Scholarships	862	-	-	(4)	(22)	836
Sacha and Susannah Stephens' Bursary	85	-	-	-	(2)	83
Founders Memorial Scholarship Fund	34	-	-	-	(1)	33
Founders Memorial Event Fund	23	-	-	-	-	23
Hunt Memorial Concert Fund	40	-	-	-	(1)	39
Trust Award	64	8	-	(45)	-	27
Heart of Benenden Founders Scholarship	2,214	475	-	-	(255)	2,434
	170	58	-	(30)	-	198
	<u>4,998</u>	<u>582</u>	<u>-</u>	<u>(110)</u>	<u>(298)</u>	<u>5,172</u>

The restricted funds held in the Seniors Bursary Fund are held by the School as Trustee.

**19. UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 August 2022 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Other Gains/(Losses) And Transfers £ '000	Balance at 31 July 2023 £ '000
Designated funds:						
Advance fee payments	151	-	1	-	-	152
Clarke Will	3,182	-	-	(16)	40	3,206
General fund Reserves	46,546	23,901	1	(23,516)	650	47,582
	<u>49,879</u>	<u>23,901</u>	<u>2</u>	<u>(23,532)</u>	<u>690</u>	<u>50,940</u>
Charity Non-charitable trading funds	106	380	-	(392)	(53)	41
	<u>49,985</u>	<u>24,281</u>	<u>2</u>	<u>(23,924)</u>	<u>637</u>	<u>50,981</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023 (continued)**

**2022 COMPARATIVE UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 August 2021 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Investment Gains/(Losses) And Transfers £ '000	Balance at 31 July 2022 £ '000
Designated funds:						
Advance fee	151	-	-	-	-	151
payments						
Clarke Will	3,475	-	-	(15)	(278)	3,182
General fund	44,563	21,763	569	(21,051)	702	46,546
Reserves						
Charity	48,189	21,763	569	(21,066)	424	49,879
Non-charitable trading funds	315	379		(331)	(257)	106
Group	48,504	22,142	569	(21,397)	167	49,985

**20. SHARE CAPITAL**

**Authorised**

10 Ordinary "B" Shares of £1 each

**2023**  
**£**

14

**2022**  
**£**

14

**Allotted, Issued and Fully Paid**

10 Ordinary "B" Shares of £1 each

14

14

**21. FINANCIAL AND CAPITAL COMMITMENTS**

**Other**  
**2023**  
**£ '000**

**2022**  
**£ '000**

Operating leases that are subject to future minimum lease commitments are as follows:

Within one year	60	51
In the second to fifth years	75	11
In more than five years	-	-

The capital commitment for the School Hall and Music School at 31 July 2023 was £0.3m (2022: £2.9m). Further capital commitments relating to Lifts and Boarding Accommodation upgrades at 31 July 2023 were £0.2m (2022: nil) and £0.1m (2022: £0.7m) respectively.

**22. RELATED PARTIES**

**LIME AVENUE SALES AND SERVICES LIMITED – LASS Ltd**

The directors of LASS Ltd, as indicated under Governing Council and Officers on page 38-39, are members of Governing Council or the Senior Management Team. During the year ended 31 July 2023 the company's turnover included £42,000 (2022: £33,000) from supplies to Benenden School (Kent) Limited. LASS Ltd also made a donation of £28,000 under gift aid to the charitable company. At the year-end, a balance of £NIL was owed to LASS Ltd by Benenden School (Kent) Limited (2022: £2,000 was owed to LASS Ltd by Benenden School (Kent) Limited).

**BENENDEN INTERNATIONAL LIMITED - BIL**

Several members of Governing Council and the Senior Management Team also served in the year as directors of BIL, as indicated under Governing Council and Officers details. During the year recharges of £120,000 (2022: £109,000) were incurred by BIL from the school.

**22. RELATED PARTIES (continued)**

Benenden School, a company registered in the United Kingdom with number 11352204, is a wholly owned subsidiary of the Charity.

No Governing Council members received any remuneration (2022: Nil). During the year, one (2022: three) Governing Council member had children at the School. No Governing Council member received remuneration (2022: no member) for services supplied to the School.

During the year, the School obtained within its general insurance, professional indemnity and governors liability insurance cover of £5m (2022: £5m), the cost of which cannot be split.

**23. PENSION SCHEMES**

Retirement benefits to employees of the School are provided through two defined benefit schemes which are funded by the School's and employees' contributions.

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1.1m (2022: £1.2m) and at the year-end £128,000 (2022: £146,000) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

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

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

**TPT Retirement Solutions' Growth Plan**

Support staff are eligible to contribute to TPT Retirement Solutions' (formerly The Pensions Trust) Growth Plan. The plan is a multi-employer scheme, partly money purchase and partly with defined benefits. The School contributes at a rate between 3% and 11% of gross pensionable salary, together with an additional premium to meet an underfunded liability as advised by TPT Retirement Solutions. The multi-employer scheme structure enables sponsors to pool costs and access a wider range of support, administration, and investment services than most could reasonably afford alone. However, the multi-employer structure does come with risk and managing this is an important element of the TPT Committee's remit. Despite the financial controls preventing weaker employers from building up new liabilities, it is possible that an employer may become insolvent and be unable to meet the full cost of settling its liabilities. If so, those 'orphan' liabilities, as they are known are shared amongst the remaining employers. The scheme has a mix of different sized employers with a wide spread of the share of liability. There are 638 non associated employers, over 95% have less than a 1% share of the liabilities. The largest individual employer share is 2.7%. Therefore, if an employer in the Scheme became insolvent, the impact on the remaining employers is relatively low. If the School were to leave the scheme it would have a liability to it. At 30 September 2022 this liability would have been £642k (2021: £1.167m). There is no plan to leave the scheme, so this contingent liability has not been provided for in the accounts. However, the School has

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023 (continued)**

**TPT Retirement Solutions' Growth Plan (continued)**

currently earmarked an amount of £1.6m against this possible liability.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme. The School is committed to deficit repayments in relation to The Pensions Trust Growth plan of £115k per annum over a period of 10 years from 1 April 2013, indexed at 3% per annum. In line with the requirements of FRS 102, a liability of £75,000 (2022: £120,000) has been recognised in relation to this.

Both Schemes permit staff to make additional voluntary contributions.

	<b>2023</b>	<b>2022</b>
	<b>£ '000</b>	<b>£ '000</b>
Total contributions incurred during the year were:		
Teaching staff	1,128	1,164
Support staff	553	547
	<u>1,681</u>	<u>1,711</u>

BENENDEN SCHOOL (KENT) LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023 (continued)

24. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES – 2022

	Unrestricted Funds			Total 2022 £ '000
	General Funds £ '000	Designated Funds £ '000	Restricted Funds £ '000	
<b>INCOME FROM:</b>				
<b>Charitable activities</b>				
School fees	20,279	-	-	20,279
Ancillary trading income	1,442	-	-	1,442
<b>Other trading activities</b>				
Trading company	379	-	-	379
<b>Investment income</b>	569	-	-	569
<b>Voluntary sources</b>				
Grants and donations	42	-	582	624
<b>Total Income</b>	<b>22,711</b>	<b>-</b>	<b>582</b>	<b>23,293</b>
<b>EXPENDITURE ON:</b>				
<b>Raising funds</b>				
Trading costs	326	-	-	326
Fundraising costs	390	-	-	390
Financing costs	263	-	-	263
Investment management	8	15	9	32
	987	15	9	1,011
<b>Charitable activities</b>				
Educational activities and grant making	20,395	-	101	20,496
<b>Total Expenditure</b>	<b>21,382</b>	<b>15</b>	<b>110</b>	<b>21,507</b>
<b>NET INCOME BEFORE TAX</b>	<b>1,329</b>	<b>(15)</b>	<b>472</b>	<b>1,786</b>
Taxation payable	-	-	-	-
<b>NET INCOME AFTER TAXATION BEFORE INVESTMENTS (LOSSES)</b>	<b>1,329</b>	<b>(15)</b>	<b>429</b>	<b>1,786</b>
Investment (losses)	(25)	(63)	(43)	(131)
<b>NET INCOME AFTER TAXATION AND INVESTMENTS LOSSES</b>	<b>1,304</b>	<b>(78)</b>	<b>429</b>	<b>1,655</b>
Transfers	470	(215)	(255)	-
<b>NET MOVEMENT IN FUNDS</b>	<b>1,774</b>	<b>(293)</b>	<b>174</b>	<b>1,655</b>
Balance brought forward at 1 August 2021	44,878	3,626	4,998	53,502
Balance carried forward at 31 July 2022	46,652	3,333	5,172	55,157

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## Governing Council and Officers

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Benenden School (Kent) Limited is a limited company with charitable status. The Directors of the company, who are the Trustees of the charity, are the members of the Governing Council of Benenden School. Those who served during the year and subsequently were:

The Hon Mrs J S Birkett	1, 7, 21
Ms F J Conway Blakemore	15, 18
Mrs A V Caton (appointed 18 February 2023)	15
Ms A J Clarke	8, 17, 19
Dr F E Cornish	10, 21
Mrs D Coslett	3, 20
Dr R W Evenett~	9, 13, 16
Mr P A J C Marshall	5, 14, 20
Mr D McBeath	13, 18
Mrs M McDonald (resigned 1 July 2023)	12, 22
Mrs A McNab*~	2, 11, 14, 17
Mr J P Pearce~	6, 17, 22
Mr P A Simpkin	15
Mrs C Stewart~ (appointed 18 February 2023)	19
Prof L C Taub (resigned 1 July 2023)	13, 19
Prof H L Taylor (appointed 1 July 2023)	13, 20
Mrs C L Thomas	4, 18

Governing Council Members are appointed by the Governing Council for a term of four years. They can be re-elected or retire by rotation. There are no nominated Governing Council Members.

Denotes Committee membership (as at 13 March 2024 or prior to retirement):

- |   |  |
|---|--|
| 1. Chair of Governing Council                   | 12. Chair of Development Board                   |
| 2. Deputy Chair of Governing Council            | 13. Member of Education Committee                |
| 3. Chair of Education Committee                 | 14. Member of Estates Committee                  |
| 4. Chair of Estates Committee                   | 15. Member of Finance Committee                  |
| 5. Chair of Finance Committee                   | 16. Member of Investment Committee               |
| 6. Chair of Investment Committee                | 17. Member of Nominations Committee              |
| 7. Chair of Nominations Committee               | 18. Member of Remuneration Committee             |
| 8. Chair of Remuneration Committee              | 19. Member of Risk Committee                     |
| 9. Chair of Risk Committee                      | 20. Member of Safeguarding Committee             |
| 10. Chair of Safeguarding Committee             | 21. Member of Development Board                  |
| 11. Chair of Bursary and Partnerships Committee | 22. Member of Bursary and Partnerships Committee |

\* Director of LASS Ltd

~ Director of BIL

## SHAREHOLDERS

The School is owned by holders of "B" shares; there are no "A" shareholders. The list of shareholders is the same as the list of Governing Council members shown above.

No payment was made to any Directors for their services as Members of the Board of Governing Council Members. They were reimbursed expenses directly incurred on school business.

## OFFICERS

Headmistress	Mrs S A Price
Director of Finance and Operations	Mrs J E Lerbech *
Secretary	Mr J M M Graham (until 31 December 2022)
Secretary	Mrs E J Bradley (from 1 January 2023)
Further members of the Senior Management Team	Mr M J L Commander ~
	Mr R N George (until 28 February 2023)
	Mr K A Johnson
	Mr S Miller
	Mr I G Read
	Ms H J R Semple
	Mrs L A Tyler (until 31 March 2023)
	Mrs A M Wakefield

Address and Registered Office	Benenden School (Kent) Limited Cranbrook Kent TN17 4AA
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Company Number	196353
Charity Number	307854

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## Advisers

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Bankers	Coutts & Co. 440 Strand London WC2R 0QS
	HSBC UK Bank Plc 1 <sup>st</sup> Floor, First Point, Buckingham Gate London Gatwick Airport West Sussex RH6 0NT
Solicitors	Farrer & Co. 66 Lincoln's Inn Fields London WC2A 3LH
Auditors	Haysmacintyre LLP 10 Queen St Place London EC4R 1AG
Investment Advisers	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU
Insurance Brokers	Marsh Brokers Limited Education Practice Capital House 1-5 Perrymount Road Haywards Heath West Sussex RH16 3SY



BENENDEN

**BENENDEN SCHOOL (KENT) LIMITED**

England & Wales - Charity number 307854

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# Accounts

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BENENDEN



**BENENDEN SCHOOL (KENT) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**  
Registered Company No: 196353  
Charity No: 307854

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## Chairman of Governing Council's Introduction

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When future historians of Benenden School assess 2022 they will find much to write about as the School took some significant steps in its evolution. That said, in many ways it was a school year like many others with countless achievements by its students in their academic studies, their co-curricular and community activities and, critically, in their own personal development, and the Head's report below gives an insight into these successes. It was a great pleasure to witness the pandemic clouds which had inevitably cast a shadow over day-to-day life on the School campus gradually dispersing. By the Summer Term there was definitely a spring in the School's step once again and we were able to reflect with justifiable pride on the way our community responded to the challenges of the pandemic while setting our eyes firmly on the way ahead.

And speaking of the way ahead, the word 'Centenary' features ever more regularly on our School business agendas as we look forward to a year of celebration of Benenden's first century from September 2023. Importantly, however, this milestone is an opportunity to shape Benenden for the future; we must match its educational offer and broader public benefit activities to the needs of mid-21<sup>st</sup> Century society and the workplace of tomorrow while making sure that its business model is robustly sustainable in a marketplace in which the sands are shifting rapidly. As Governors of the School, we share with Mrs Price and her Senior Management Team a real sense of excitement at having the opportunity to shape this future but also a keen sense of the responsibility which rests with us to build successfully on the legacy now entrusted to us.

Anyone observing Benenden now for the first time in even a couple of years would see much change. The Head's Report sets out the detail of what has been achieved but I would like to summarise just a few of the significant developments of the past year:

- Day boarders are now an established and vital part of the School population with numbers increasing steadily in line with our planned growth of the student roll to 600;
- The boarding offer has been modified by the formalising of Saturday Night Leave for those students who wish to take advantage of it while still retaining a vibrant Weekend Programme for those students staying at School;
- Medway is operating successfully as a dedicated home away from home for the Fourths, enabling them to settle into secondary school life as a group before moving into their Houses as established members of the community;
- The new School Hall and Music School have become a reality; now known as the Centenary Buildings, they seem almost overnight to have become the 'Heart of Benenden' envisioned so presciently by Mrs Price shortly after she arrived in 2014. As well as enabling the School to benefit from state-of-the-art performance and teaching spaces, the facilities are already attracting leading professionals across a range of performing arts, will provide the School with a revenue stream from commercial lettings and to enable the local community and other schools to benefit from the opportunities for learning and enrichment which these wonderful spaces can provide;
- Our initiatives to develop our bursary programme to enable more students to benefit from a Benenden education as well as our partnerships work both in the local community and the education sector more broadly, have made real strides this year. The partnerships work in particular has taken on a more strategic approach focused clearly on demonstrable impact. In the Autumn we published our first Impact Report, which is a comprehensive review of the difference Benenden makes, whether through its education of students on site in Kent or more broadly through its outreach work and contribution in the education arena, both nationally and further afield.
- Our bursary and partnerships programmes are now a major fundraising focus with the Be The Change campaign launched in early 2022 and given a great boost by our first ever Giving Day in late November when we asked our entire community to help us to make a difference by donating funds to underpin our work in this area. We hope that the Centenary will inspire many members of our community to give to help us reach our target of raising £5 million by the end of 2024 which will allow many more young people to benefit from what Benenden has to offer;
- The School has taken its first steps towards a comprehensive Sustainability Strategy, focused on managing its environmental impacts as well as developing a long-term energy strategy for the site. With a site of the age and nature of ours, there are many challenges to address but, although like many schools something of a late starter in this arena, the School is now firmly committed to meeting those challenges in the years ahead.

Overall, I regard the past year as a positive one for the School for all the reasons just mentioned but it is also important to reflect on the challenges which have emerged in the past 12 months and which are set to shape our work in the short, medium and longer term. The current inflationary cost environment creates significant

pressure for a boarding school such as Benenden and the broader economic headwinds into which we and our parent and staff community are faced raise challenging strategic questions for Governing Council to answer in shaping a future for Benenden which is truly sustainable in every sense of that word.

The Hon Mrs A Birkett MA, MBA

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# Head's Report

## Review of the Year

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The 2021-22 academic year represented a very welcome return to normality following the pandemic. We were delighted to once again host our traditional in-person events for our School community such as Two-Generation Sports and Carol Services, as well as our trips programme getting underway again with our Upper Fifths' Languages trip to Malaga.

At the same time as restoring this sense of normality, we were equally pleased to introduce some strategic innovations at Benenden. We welcomed our first day boarders to join the School; they have settled in seamlessly and this is an exciting area of growth for us. In addition, we unveiled our new Fourths' House where our youngest pupils spend the first year together before moving to their Middle School Houses. This was such a successful initiative during the pandemic that we have taken the decision to make it a permanent arrangement, and it has led to increased demand at our 11+ entry point.

The most prominent new addition at Benenden has been the Centenary Buildings, which opened at the end of this academic year and which have, quite simply, transformed the School. The students, performers, staff, parents and guests are benefiting from a beautiful, purpose-built space that has led to a dramatic increase in Music participation and has united the whole community. In addition, it will enable us to welcome the local community to our School far more frequently, which is very important to us.

Indeed, our partnerships and charity work has been incredibly strong this year, with a total of 3,760 hours of partnership work volunteered during the year. More than 60 students are involved in the Partnerships Programme each week, which supports 10 local institutions including primary schools, the village shop and a care home for adults with learning disabilities, while we have also launched the Benenden Memory Café for adults with dementia. In addition, we were pleased to be able to offer full bursaries to four girls from Ukraine and they are making a wonderful contribution to Benenden life. Further details of our bursary provision may be found in note 2.

Elsewhere, Benenden has been at the forefront of sector-wide initiatives through some high-profile work with the Girls' Schools Association, whom I was proud to serve as President this year. The focus of the year was Disagreeing Well, which was aimed at helping young people to learn how best to channel their campaigning instincts, which is especially important in these turbulent political and cultural times.

The students themselves have, as ever, recorded such a long list of achievements this year that it would be impossible to acknowledge them all here. However, exam results are, of course, an essential consideration and we were delighted that A Level results were in line with pre-pandemic levels, with 67 per cent of all grades awarded at A\* or A.

Benenden's Class of 2022 are now studying at leading universities around the world. All those holding offers from Oxford and Cambridge secured their places, with other UK destinations including Imperial, UCL, LSE, Durham and Edinburgh. International courses are always popular at Benenden, with destinations this year including Boston, McGill, Carnegie Mellon and Sciences Po in Paris.

At GCSE, the students' performance represented Benenden's best GCSE results since the reformed GCSEs were introduced – they were phased in, starting in 2017 – and are even stronger than the results of the past two years when grades were based on teacher assessed grades during the pandemic. This success was in contrast to the national picture, in which grades dipped. An incredible 50 per cent of all grades were at Level 9 – the highest available. Six students achieved a clean sweep of straight Level 9s and in total, 23 students in the year group achieved the top grade in at least nine different subjects.

Away from the classroom, other highlights include the increasing opportunities for students themselves to interview our guest speakers, and this year our speakers included fashion designer Patrick Grant, tech entrepreneur Roshni Nadar, Baroness Dido Harding, some of the developers of the AstraZeneca vaccine and ITV 'Chaser' Shaun Wallace, who invited a team of Sixth Formers to pit their wits against him!

Elsewhere, a second group of students completed work on building a microlight, in a fantastic partnership project with The John Wallis Church of England Academy, and an array of new student-led clubs were launched, including ones focused on Geography, motor racing, medicine and body confidence.

Our dedicated STEM Month was a brilliant showcase of these subjects, while Cultures Week was a celebration

of the wide range of cultures we are proud to have at Benenden.

On the stage, our youngest pupils performed Wendy and Peter Pan, while at the other end of the age group we took a group of Sixth Formers to perform at the Edinburgh Fringe Festival.

Aside from embracing their new facilities, our Music department treated us to a joint evensong with Tonbridge School and we have seen a huge increase in the number of student bands, which are entertaining us regularly.

Our sporting success included reaching the quarterfinals of the Lacrosse Nationals, some of our athletes represented Kent in the South East Inter-Counties Finals, we were proud to have representatives in the British Youth Fencing Finals and Cricket is really coming on strongly here at Benenden.

We are proud of our achievements at Benenden and are grateful to everyone who has been involved in this success.

Samantha Price

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# Governing Council's Report

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## Objects and Aims

The principal objects of the Company are to promote and provide for the advancement of the education of school age students, and to hold lectures, exhibitions, concerts, public meetings, classes, conferences, and other activities calculated directly or indirectly to advance the cause of education.

## Benenden School's Aims for its Students

Benenden School is an expert in educating young women. Through our renowned model of A Complete Education, each pupil will realise her academic potential, grow as an individual and be well prepared for life beyond school. A Complete Education combines a focus on academic achievement with personal development and the engendering of a firm understanding of the world in which we live.

Above all, we want our pupils to relish all that life in a boarding school has to offer, to enjoy their learning, develop intellectual curiosity and be ambitious, whilst learning to achieve balance in their lives.

In all that we do at Benenden, we foster the need to value oneself and others. In so doing, we expect each pupil to be a responsible and considerate citizen and we support her to grow into a confident, positive young woman who will play an active part in society.

By emphasising the importance of spiritual and personal growth, we help our pupils to develop self-knowledge, to become outward looking, courageous and compassionate, so that they will be inspired to make a difference both to our school community and throughout their lives for the benefit of others.

We achieve this by providing:

- An inspiring, challenging and relevant curriculum delivering strong academic outcomes and a sense of personal wellbeing.
- Excellent and motivating teaching designed to encourage pupils to become independent, enquiring and critical thinkers.
- An extensive co-curricular programme that complements the academic curriculum and is infused with a wide variety of enjoyable cultural, spiritual, social, sporting and creative activities.
- A framework of support which contributes to personal, moral and emotional development which helps guide our pupils towards achieving balance within their busy lives.
- The experience of learning to understand other people, working and living together within our boarding community, appreciating diversity and understanding compromise.
- A culture of encouragement, opportunity and challenge designed to develop resourcefulness, reflectiveness, resilience and confidence.
- A wide variety of opportunities for leadership and collaboration.
- Guidance designed to help every pupil achieve her own personal goals, equipped with the requisite skills for university and professional life.
- A close partnership with parents so that school and home can work together to help every pupil make the most of her time at Benenden.
- The four guiding values underpinning our work are the constant reinforcement of **confidence, compassion, courage** and **courtesy**.

## Benenden Values

In all that we do at Benenden, we aim to foster:

- **Belief in oneself:** integrity, independence, courage, endeavour, reflection, self-respect and self-confidence;
- **Belief in others:** trust, appreciation, consultation, understanding, generosity of spirit, tolerance and respect;
- **Commitment to learning:** an enthusiasm for and love of learning; and
- **Commitment to the community:** participation, service, responsibility, leadership, initiative, compassion, and commitment to equality.

## Objectives

The Directors confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Company. Ensuring best practice across the board is a priority and the School continues to develop its policies and procedures for monitoring and evaluating this.

Members of Governing Council confirm that they have complied with their duty as directors, to have regard to the matters in section 172(1) of the Companies Act 2006. This duty is to act in good faith, to promote the success of the School whilst having regard to:

- the consequences of any decisions in the long term;
- the interests of the School's employees;
- the need to foster business relationships with suppliers, customers and others;
- the impact of the School's operations on the community and the environment;
- the desirability of maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the charitable company.

The Governing Council has promoted the success of the School by acting in good faith to assist the School to meet its aims and objectives. During the course of the year the Governing Council and the Senior Management Team have focused on 'Bouncing Back' as our community has collectively learnt to live with Covid-19. Through carefully managing risk the School has returned to pre-Covid levels of activity. More broadly new operational, financial and strategic challenges have arisen particularly around managing increased inflation and utility costs. Whilst these and the residual effects of the pandemic have had an impact on the operations and financial position of the School, and will continue to do so for the foreseeable future, the Governing Council is satisfied that the School remains both operationally and financially in a stable and secure position. Further details can be found in the Head's Review of the Year, the Financial Review and Principal Risks and Uncertainties.

Attracting and developing excellent teachers remains a priority for the School. To support engagement with the profession we offer a comprehensive graduate teaching training package and an integrated professional development programme for teaching staff to support their progression to middle and senior leadership positions. Supported by a dedicated member of the Senior Management Team overseeing this, we continue to develop this programme with other local schools so that collectively we share our commitment to supporting the development of outstanding teaching and leaders within the profession. Alongside this, we make active use of the Apprenticeship Levy funding to help develop colleagues in a range of roles.

We have a Staff Wellbeing Group, with representatives from a wide range of roles within the school. This is chaired by the First Deputy and gives colleagues an opportunity to discuss any aspect of the School. There is a weekly staff meeting that all colleagues can attend or watch via a recording, in which a broad range of matters are discussed. The Headmistress has a 'surgery' time on Wednesday mornings when any member of staff can drop in to discuss any concerns they may have. The HR department have an open door policy and staff are encouraged to come and see them.

Benenden School is committed to securing equality of opportunity through the creation of an environment in which everyone is treated as an individual. By respecting and valuing diversity we can maximise our impact through meeting individual needs and staying in touch with the changing societies in which we work.

## Plans for Future Periods

The Centenary Vision Project (ten-year strategy plan) centres on a range of capital projects, together with fundraising for means-tested bursaries. The School remains committed to offering significant bursarial support to enable students to attend Benenden on fully funded places, which we have ambitious plans to significantly increase in the future. The first two phases of The Centenary Vision identified the following development priorities:

- All-Weather Pitch and Pavilion – completed September 2016
- Provision of eight units of family accommodation for staff – completed September 2016
- Development of the School Hall, Music School and West Wing teaching areas, now known as the Centenary Buildings, which opened in Summer 2022.

The Centenary Buildings development was the most ambitious development project that the School has undertaken, and was made possible by more than £5 million of pledges to the Heart of Benenden fundraising campaign, the second phase of the Centenary Vision. The project is now complete, with the first of several opening celebrations taking place in June 2022 with hundreds of members of our community in attendance. It is clear that these new facilities, and particularly the Centenary Hall and The Sir David K.P. Li Music School, will be transformational for the School and enjoyed daily by every Benenden student. It is also our intention to

open these wonderful spaces and facilities to young people from the local area so that they too can benefit from the musical and other opportunities the School can offer.

Development projects such as these are undertaken following extremely careful consideration by the Governing Council and Senior Management Team to ensure absolute confidence in the financial commitment that a building project such as this entails. The project was financed by the generous donations of the School's supporters, the general reserves of the School and a long-term financing arrangement.

With Phase 2 of the Centenary Vision complete, the School has now launched Phase 3, which focuses on an ambitious fundraising campaign to significantly increase the level of bursary support we are able to provide to students joining Benenden, and the broadening of our partnerships work. This important new campaign was launched in January 2022 with HRH The Princess Royal, The President of the Benenden Society, in attendance. By the end of the year, members of our community had already committed £1 million of pledges towards the campaign target of £5 million.

The School remains committed to continuing over the coming years the refurbishment of the Lower School boarding houses, building on the successful refurbishments of Medway and Marshall Houses in the summer of 2021. Refurbishment work was undertaken across Echyngam, Guldeford, Norris and Hemsted Houses during the summer of 2022.

Benenden International Limited (BIL), continues to operate as a wholly owned subsidiary of Benenden School (Kent) Limited and retains the remit to facilitate the School accessing the international school market or take on other options for business diversification should suitable opportunities arise. BIL's primary purpose is to provide an additional income stream for the School. On 25 November 2020 BIL signed an agreement with Chow Tai Fook Education Group (CTFEG), a Hong Kong-based educational group, to establish five Benenden international schools in China. The first school in the group will open in September 2023.

### **Financial Review**

The financial aims of the Governing Council include generating sufficient income to ensure the School is in a sound financial position. Sufficient surplus is required to enable the ongoing maintenance and investment in the School estate and to ensure that an appropriate level of reserves are held. The School is also seeking to increase funding for the bursary provision. On a regular basis, the Finance Committee carefully reviews the financial results and forecasts of the School, which includes detailed scrutiny of cashflows on a short and longer term basis, the level of borrowings and capital expenditure. The outcome of these reviews is reported to and considered by the Governing Council.

Income (excluding donations) increased from £21.0 million to £22.7 million primarily due to the prior year experiencing a fee reduction in the Spring Term, as a result of the nationwide school closure arising from the pandemic situation. The School did not receive any Covid-19 related government financial support in the 2021-22 financial year.

Expenditure increased from £20.6 million to £21.5 million as the School returned to a full operations. The surplus achieved of £1.7 million, including gifts, grants and donations, investment losses and trading income, enables the School to invest both for the future by way of capital projects and in its bursary programme. Significant borrowings have been undertaken for the development of the Centenary Buildings and adequate surpluses are required to ensure that debt is serviced.

These financial results incorporate those of LASS Limited and Benenden International Limited. During the year LASS continued as the main trading arm of the School with the principal activity being the operation of the retail shop at the School. The shop stocks school uniform, stationery, sports equipment and pharmacy products for sale to the School community.

	<b>2022</b>	<b>2021</b>
Student numbers (average)	530	528
Fee concessions as a percentage of gross fees	7.10%	5.70%
Direct teaching costs as a percentage of gross fees	34.5%	37.20%
Increase in school fees	3.75%	-

### Reserves

At 31 July 2022, the School had unrestricted funds of £50.0 million, of which £3.3 million were designated, and restricted funds totalling £5.2 million. The Governing Council has a long-standing policy to use revenue surpluses and borrowings as appropriate to improve the overall educational service and facilities provided by the School. It is the intention of the Governing Council that this policy of developing and improving the School

be continued and any unrestricted surpluses will be used for this purpose.

The majority of designated funds relate to the Clarke Will fund of £3.2 million, the income of which is used to assist in the funding of bursaries.

Governing Council continues to review the current asset position of the School to ensure that it has sufficient working capital to meet its obligations, having regard to the seasonal flow of income. The School anticipates that its ongoing activities will allow it to build a modest level of reserves to support an ongoing programme of development and improvements and to provide bursaries. The Directors regard 'free' reserves as being the reserves of the School after deducting fixed assets and any funds held as restricted or designated. On the basis described, there is a deficit of free reserves of £17.7 million (2021: £10.9 million). Similar to many other independent schools, the School has invested heavily in fixed assets which has resulted in this deficit.

#### Advance Fees

The School operates an unsecured Fees in Advance (FIA) Scheme for the benefit of parents.

#### Fundraising Practices

Fundraising is conducted through the School's Development Office. The principal aims for the year were to secure the final instalments of the successful £5 million Heart of Benenden Campaign, to secure funding for a number of new pianos, and to put plans in place for the launch of a significant and ongoing bursary fundraising initiative to increase significantly the charitable funding available for means-tested full bursaries. Alongside this, further progress has been made with Benenden Connects – the School's new online portal – which brings Seniors, Parents, Friends, Staff and Sixth Formers together.

During the year it was pleasing to be able to recommence in-person events. Highlights included two New Parents' Dinners, a Benenden Society Reception in London to launch the School's Be the Change bursary and partnerships campaign; a fundraising ball at the Landmark London Hotel; and Seniors' Day; as well as aforementioned celebrations to mark the opening of the Centenary Buildings.

The School complies with the Fundraising Regulator's code of practice and there are no matters to report of the School failing to comply with fundraising standards. The School received no complaints about its fundraising activity in the year.

#### Energy and carbon statement

The School engaged its utility consultants, Professional Energy Services, to review its greenhouse gas emissions and energy use data to compile a report to meet the SECR reporting requirements. The report was produced using interval meter data, full year billing data, travel expense claims, fuel cards and onsite vehicle fuel data. The table below summarises the energy use in the year relating to electricity, gas combustion and transport. It must be noted that the 2021 figures reflect a period of closure of the School site due to the Covid-19 national lockdown which is reflected in reduced gas use and transport use in these periods.

	<b>2022</b>	<b>2021</b>
Electricity use	1,911,915 kWh	2,187,231 kWh
Gas combustion	5,257,440 kWh	4,436,566 kWh
Transport	203,683 kWh	147,923 kWh
Total	7,373,038 kWh	6,771,720 kWh

The greenhouse gas emissions associated with the energy use identified in the table above are as follows:

	<b>2022</b>	<b>2021</b>
Electricity use	369.7 tCO <sub>2</sub> e	464.4 tCO <sub>2</sub> e
Gas combustion	960.0 tCO <sub>2</sub> e	821.6 tCO <sub>2</sub> e
Transport	29.1 tCO <sub>2</sub> e	36.1 tCO <sub>2</sub> e
Total	1,345.8 tCO <sub>2</sub> e	1,313.1 tCO <sub>2</sub> e

Due to the recent expansion works within the grounds the exact square footage is not known and has changed significantly. It has therefore been decided that the constant index will be student numbers.

The intensity ratio for Benenden School is 2.53 tCO<sub>2</sub>e (2021: 2.49 tCO<sub>2</sub>e) per student for the reporting year, based on 532 students (2021: 528 students).

The methodologies used in the identification and calculation of the provided information followed the processes described in the GHG Reporting Protocol – Corporate Standard. GHG Conversion Factors for electricity, gas and transport were taken from the UK Government GHG Conversion Factors for Company Reporting 2022. Data on electricity use and gas consumption were acquired from recorded invoice data provided by Professional

Energy Services. Data on transport came from mileage data calculated from recorded expenses claims and fuel card purchases.

In the year to 31 July 2022, the School has been active in gaining insight to its energy usage. Such measures have included the addition and active monitoring of sub meters in the staff accommodation as well as having a Sustainability Committee for students to raise energy efficiency awareness. These actions have resulted in a greater understanding of where energy is being consumed in the School and a higher awareness of best practice for energy efficiency. The School understands that more efficiencies can be achieved through adoption of technologies that will be reviewed in the coming years, some areas of focus will be onsite generation, storage, and LED lighting initiatives. We have recently began working with an external consultancy to support our sustainability work more broadly.

It is noted that the supply fuel mix will be taken into the procurement processes for energy with an active view on sourcing fully green electricity through a certified and backed supply chain as well as bio-gas and carbon offsetting initiatives for natural gas supply.

#### Investment Policy

Governing Council is empowered within the Memorandum and Articles of Association to invest any monies as authorised by law and for the investment of trust monies in a manner it thinks fit. All investments have been acquired in accordance with the powers available to the Governing Council. The investment committee advise on the investment of school funds, including advance fee monies.

The investment portfolio is managed on a discretionary basis by Sarasin & Partners. Since inception of the portfolio on 9 September 2019 up to 31 July 2022, the portfolio has achieved a total return of 19.1% (net of all costs) versus the benchmark return of +20.9%. ICE BofAML Sterling Corporate (7.5%), ICE BofAML UK Gilts All Stocks (7.5%), MSCI AC World ex UK (Local Currency) (GBP) (10%), MSCI AC World ex UK (Net Total Return) (40%), MSCI UK IMI (Net Return) GBP (20%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), UK cash LIBOR 1 Month (10%).

Governing Council aims for the investment portfolio to provide a sufficient income to fund bursary commitments while preserving the real capital value of the portfolio to enable bursary funding for future generations. As a measure of performance, the long-term return target has been set at UK inflation (CPI) +4% over a 5 year rolling basis.

#### **Principal Risks and Uncertainties**

The Directors continue to keep the School's activities under review and monitor performance.

#### Evaluation of Risk

The Risk Committee and the School Senior Management Team are heavily involved in assessing both the operational and strategic risks to the School. The School Risk Register is regularly reviewed, at least termly, and kept up to date by the Senior Management Team. Risks are then reviewed by the Risk Committee, a sub-committee of the School's Governing Council. In addition to reviewing the risks to the School from the executive team's perspective, the Risk Committee has a specific remit to examine and assess the possible impact of risks to the School from external sources. The Risk Committee meets three times per year or more frequently if required. As required, a separate group may be established to respond to a particular risk, with the most recent example being the Coronavirus Response Group. The minutes of the Risk Committee and any specific focus groups are presented at the following Governing Council meeting. The Risk Register and the recommendations of the Risk Committee are reviewed at least annually by Governing Council and more frequently as required.

#### Strategic Planning

The School Strategic Plan, that is written by the Senior Management Team, and the School Development Plan that is derived from this, are reviewed at least annually to ensure that they are fit for purpose. The recently formed School Development Group, which includes both the Senior Management Team and members of the wider staff, meets on a fortnightly basis to develop and inform wider strategy for beyond the Centenary year. Governing Council meets, at least annually, with the Senior Management Team, for a wider strategy day.

Major strategic decisions are fully discussed and ratified by Governing Council. This process ensures that all projects are assessed for risk and are not entered into without appropriate due diligence. Both financial and operational reporting is embedded within the working patterns of the School. Key Performance Indicators are used at all levels to aid with the process of identifying risks. Once identified, the Senior Management Team and Governing Council will together make decisions to appropriately mitigate or accept those risks, calling upon professional expertise from external agencies if appropriate.

### Financial Planning

The Finance Committee, in conjunction with the Director of Finance and Operations and Finance Bursar, are tasked with the development of financial models covering a range of eventualities as circumstances dictate. These models are tested on a regular basis.

### Maintenance of educational quality

Educational excellence is at the heart of the School and the Senior Management Team is responsible for ensuring that this and the 'Complete Education' programme are reflected in the School's Strategic Development Plan. The Senior Management Team closely monitor the delivery of the educational offering in the academic, pastoral and co-curricular areas of the School. The School's success at achieving its educational aims and delivering its ethos is evaluated by both the Independent Schools Inspectorate and Governing Council supported by the Education and Safeguarding and Pastoral Care Committees. Teaching standards are constantly under review within the School with the process being co-ordinated by the Senior Management Team. Student performance is regularly monitored with actions being taken to ensure that any issues are addressed. All staff benefit from an appraisal system to ensure that standards remain high. Training is available to keep all staff up to date with best practice.

### Ensuring safeguarding of students

The Governing Council reviews and approves the School policies relating to safeguarding on a regular, and at least annual, basis via the School Safeguarding and Pastoral Care sub-committee ensuring they are fit for purpose, are compliant and that they reflect School practice. The School Safeguarding and Pastoral Care sub-committee reports to the Governing Council on an annual basis with regular updates being provided when required. All staff are trained in safeguarding upon arrival and throughout their time at the School on an annual basis with regular updates throughout the year.

### Health and Safety

Health and Safety at the School is managed via the Health and Safety Committee. A risk assessment and management process is in place throughout the School with regular reporting via the Estates Committee to Governing Council. The School had an independent external Health and Safety audit in June 2021 and at least once in every three yearly cycle.

### Major Risks

The Directors consider that the major risks to which the School is currently exposed are:

1. **Economic and Political Risk**. The School has a robust system for assessing the effects of changes in political and economic factors that may affect the operation of the School in the short, medium and longer term. Specific risk in this category are:
  - a. **Wider economic environment**. The initial economic impact of Brexit has now expanded to include the economic effects of the war in Ukraine. High inflation rates affect many areas of the School, most notably within the utilities, domestic and staffing budgets. More broadly, inflation risks adversely affecting the affordability of the School within its market which ultimately could risk student numbers and retention. The School is actively managing costs in all areas.
  - b. **Changes to the Teachers' Pension Scheme**. The School continues to evaluate its membership of the Teachers' Pension Scheme and launched a consultation regarding this with eligible teaching staff in September 2022 which is ongoing. The School entered into a Phased Withdrawal from the Teachers' Pension Scheme, whereby new teaching staff are instead enrolled into an alternative defined contribution pension scheme, effective from September 2022.
  - c. **Loss of charitable status of schools in the Independent Sector including the loss of charitable business rate relief and the implementation of VAT**. This continues to be a risk to the School that is monitored by the Finance Committee and Senior Management Team. The School continues to work hard to support the independent sector via its engagement with the GSA, HMC, BSA and the ISBA. The School takes its commitment to society seriously and makes a substantial contribution to charitable, partnership and outreach activities via its partnership with The John Wallis Church of England Academy, its work with the Kent Music School and through the School's Benenden Partnership and Community Programme. The School has a Director of Partnerships to further develop its activities in this area. Further information may be found on the Schools Together website.
  - d. **Geographical financial dependence**. A priority for the School is to ensure that students from all parts of the globe are able join the School community. Financially, the Governing Council and Senior Management Team work to ensure that the risk for the School, due to the possibility

of becoming dependent on one single market, is mitigated as far as possible.

- e. **Changes to the educational regulatory environment in China.** The School has entered into an agreement with a Hong Kong-based education partner to develop five bi-lingual schools within China. Subsequent to the agreements being made, the Chinese government imposed substantial changes to the legislation affecting the operation of bi-lingual schools in the region. The majority of the changes had already been anticipated by the School as part of the agreement process; however the School continues to closely monitor the situation, via its international trading subsidiary Benenden International Limited, to ensure any risks to the future operations of the schools are mitigated.

## 2. **Cyber Security**

Cyber security risks remain high with the School being alert to the risk of a cyber-attack and the risk of failure of IT security procedures. All staff are regularly trained to be aware of cyber risks. Appropriate security measures, which include external testing of IT security systems are undertaken on a regular basis.

3. **Covid-19.** Whilst the risks associated with the Covid-19 pandemic have subsided the School remains mindful of the ongoing risks associated with both Covid-19 and potential future pandemics.

Procedures remain in place for dealing with outbreaks of the virus and to protect the School community. Despite the experience the School has gained with dealing with the Covid situation, there remains a high residual risk that the School will be impacted both operationally and financially in the year ahead by the virus.

## **Reference and Administrative Details**

Benenden School (Kent) Limited is a limited company with charitable status. The Directors of the company, who are the Trustees of the charity, are the members of the Governing Council of Benenden School. The School's directors, advisers and key staff are set out on pages 38 - 40.

## **Structure, Governance and Management**

The Company was constituted on 13 March 1924. The Memorandum and Articles of Association have been amended over the years, with the latest amendment on 7 December 2018. The Company was granted Charitable Status in 1941.

The Nominations Committee is responsible for the recruitment of Governing Council Members. Any prospective Governing Council Member must meet criteria set out by Governing Council including personal competence, specialist skills and availability. Nominations are discussed, and appointments made at Governing Council meetings. A comprehensive induction for newly appointed Governing Council Members is organised by the Clerk to the Governing Council. Governing Council Members have access to AGBIS sponsored training workshops and other training as required.

The Governing Council Members determine the general policy of the School. Day to day management of the School is delegated to the Headmistress with the Senior Management Team of the School.

The Charity has two wholly-owned non-charitable subsidiaries, Lime Avenue Sales and Services Limited (LASS Ltd) and Benenden International Limited (BIL), whose activities and trading performance are discussed in note 4 to the accounts.

The Benenden School Hong Kong Trust (the HKT) is independent of the School and the Governing Council, and no School shareholders are members of the HKT. Its objectives are to promote and provide for the advancement of education.

## **Policies Adopted for Setting Remuneration of Key Management Personnel**

The Remuneration Committee reviews the pay and remuneration of all staff including the Senior Management Team as detailed on page 39. Consideration when setting pay is given to the role and responsibilities, competitor salaries in the region, average salary for comparable positions in the sector, market trends and sector benchmarking which has been supplemented by the employment of external experts to review both Senior Management Team and teacher pay scales.

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors (who are also the trustees of the charitable company) are responsible for preparing the Report of the Governing Council and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

So far as each of the Directors is aware at the time the report is approved:

- a. there is no relevant audit information of which the charitable company and group's auditors are unaware; and
- b. the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## AUDITORS

A resolution proposing the re-appointment of Haysmacintyre as auditors will be submitted to the Annual General Meeting.

Report of the Governing Council, incorporating a Strategic Report, approved by the members of Governing Council on 16 March 2023 and signed on its behalf by



.....  
Anne McNab  
Director

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# Independent Auditor's Report to The Members of Benenden School (Kent) Limited

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## Opinion

We have audited the financial statements of Benenden School (Kent) Limited for the year ended 31 July 2022 which comprise Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement 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 group's and of the parent charitable company's affairs as at 31 July 2022 and of the group's and parent charitable company's net movement in funds, including the 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 group 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 directors' 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 group'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 directors with respect to going concern are described in the relevant sections of this report.

## Other information

The directors are responsible for the other information. The other information comprises the information included in the Governing Council's Report, the Chairman's Introduction and the Head's 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governing Council's Report (which includes the strategic report and 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 strategic report and the directors' report included within the Governing Council's Report have 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governing Council's Report (which incorporates the strategic report and the directors' 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 by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on pages 11-12, the directors 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 directors 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 directors are responsible for assessing the group's and the parent 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 directors either intend to liquidate the group or the parent 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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to The Education (Independent School Standards) Regulations 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Companies Act 2006 and consider other factors such as payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management and review of Governing Council's meeting minutes and papers, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted at the year end; and
- Challenging assumptions and judgements made by management in their critical accounting 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 for the audit of the financial statements is located on the Financial

Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Tracey Young". The signature is written in a cursive style with a large, stylized 'Y'.

Tracey Young (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditor  
10 Queen Street Place  
London  
EC4R 1AG

Date: 30.3.23

**BENENDEN SCHOOL (KENT) LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 JULY 2022**

		Unrestricted Funds		Restricted	Total	Total
	Notes	General Funds	Designated Funds	Funds	2022	2021
		£ '000	£ '000	£ '000	£ '000	£ '000
<b>INCOME FROM:</b>						
<b>Charitable activities</b>						
School fees	2	20,279	-	-	20,279	18,955
Ancillary trading income	3	1,442	-	-	1,442	1,285
<b>Other trading activities</b>						
Trading company	4	379	-	-	379	543
<b>Investment income</b>	5	569	-	-	569	211
<b>Voluntary sources</b>						
Grants and donations	6	42	-	582	624	1,988
<b>Total Income</b>		<b>22,711</b>	<b>-</b>	<b>582</b>	<b>23,293</b>	<b>22,982</b>
<b>EXPENDITURE ON:</b>						
<b>Raising funds</b>						
Trading costs	4	326	-	-	326	280
Fundraising costs		390	-	-	390	257
Financing costs	8	263	-	-	263	244
Investment management		8	15	9	32	38
		987	15	9	1,011	819
<b>Charitable activities</b>						
Educational activities and grant making		20,395	-	101	20,496	19,773
<b>Total Expenditure</b>	7	<b>21,382</b>	<b>15</b>	<b>110</b>	<b>21,507</b>	<b>20,592</b>
<b>NET INCOME BEFORE TAX</b>		<b>1,329</b>	<b>(15)</b>	<b>472</b>	<b>1,786</b>	<b>2,390</b>
Taxation payable		-	-	-	-	-
<b>NET INCOME AFTER TAXATION BEFORE INVESTMENTS GAINS</b>		<b>1,329</b>	<b>(15)</b>	<b>472</b>	<b>1,786</b>	<b>2,390</b>
Investment (losses)/gains	11	(25)	(63)	(43)	(131)	837
<b>NET INCOME AFTER TAXATION AND INVESTMENTS GAINS</b>		<b>1,304</b>	<b>(78)</b>	<b>429</b>	<b>1,655</b>	<b>3,227</b>
Transfers	18, 19	470	(215)	(255)	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>1,774</b>	<b>(293)</b>	<b>174</b>	<b>1,655</b>	<b>3,227</b>
Balance brought forward at 1 August 2021		44,878	3,626	4,998	53,502	50,275
Balance carried forward at 31 July 2022	17,18,19	46,652	3,333	5,172	55,157	53,502

The notes on pages 20 to 37 form part of these accounts. All amounts derive from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities. Comparative figures for unrestricted and restricted movements as shown in note 24.

	Notes	GROUP		CHARITY	
		2022 £ '000	2021 £ '000	2022 £ '000	2021 £ '000
<b>FIXED ASSETS</b>					
Tangible assets	10	64,332	55,810	64,250	55,724
Investments	11	6,596	6,790	6,596	6,790
Investment in subsidiaries	11	-	-	-	-
		<u>70,928</u>	<u>62,600</u>	<u>70,846</u>	<u>62,514</u>
<b>CURRENT ASSETS</b>					
Stock		177	203	43	41
Debtors: amounts falling due within one year	12	1,365	1,203	1,355	1,196
Cash at bank and in hand		4,407	6,419	4,378	6,178
		<u>5,949</u>	<u>7,825</u>	<u>5,776</u>	<u>7,415</u>
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(7,124)</u>	<u>(5,499)</u>	<u>(6,975)</u>	<u>(5,318)</u>
<b>NET CURRENT ASSETS</b>		<u>(1,175)</u>	<u>2,326</u>	<u>(1,199)</u>	<u>2,097</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>69,753</u>	<u>64,926</u>	<u>69,647</u>	<u>64,611</u>
<b>CREDITORS: amounts falling due after more than one year</b>	14	<u>(14,596)</u>	<u>(11,424)</u>	<u>(14,596)</u>	<u>(11,424)</u>
<b>NET ASSETS</b>		<u><u>55,157</u></u>	<u><u>53,502</u></u>	<u><u>55,051</u></u>	<u><u>53,187</u></u>
<b>FUNDS AND CAPITAL</b>					
Unrestricted Funds:	19				
- General		46,652	44,878	46,546	44,563
- Designated		3,333	3,626	3,333	3,626
Restricted Income Funds	18	5,172	4,998	5,172	4,998
Called up share capital	20	-	-	-	-
<b>TOTAL FUNDS</b>		<u><u>55,157</u></u>	<u><u>53,502</u></u>	<u><u>55,051</u></u>	<u><u>53,187</u></u>

The notes on pages 20 to 37 form part of these financial statements.

In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Benenden School (Kent) Limited. The Charity income for the year was £22.9m (2021: £22.4m) with a surplus of £1.6m (2021: £2.9m).

The financial statements were approved and authorised for issue by the Governing Council on 16 March 2023 and signed on its behalf by:



.....  
 Anne McNab  
 Governing Council Member



.....  
 Jonathan Pearce  
 Governing Council Member

**BENENDEN SCHOOL (KENT) LIMITED  
CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JULY 2022**

	2022		2021	
	£ '000	£ '000	£ '000	£ '000
<b>Net cash flow from operations</b>				
Net movement in funds	1,655		3,227	
Depreciation charges (Note 10)	1,388		1,304	
Investment income	(569)		(211)	
Financing costs	263		244	
Impairment provision against fixed assets	-		527	
Investment managers charges	32		38	
Investments gains/losses	173		(863)	
(Increase) in debtors	(162)		(339)	
Increase in creditors (excluding fees in advance)	1,257		-	
Decrease/(increase) in stock	26		(12)	
(Decrease)/increase in advanced fees	(248)		139	
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net cash provided from operations</b>		3,815		4,054
<b>Net cash flow from investing activities</b>				
Investment income	569		211	
Investment managers fees	(32)		(39)	
Proceeds from sale of investments	31		30	
Purchase of investments	(10)		(6)	
Payments for tangible fixed assets	(9,910)		(7,457)	
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net cash used in investing activities</b>		(9,352)		(7,261)
<b>Cash flows from Financing</b>				
Cash inflows from new borrowing	3,806		4,300	
Financing costs	(263)		(244)	
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net cash provided by financing activities</b>		3,543		4,056
<b>Increase in cash and cash equivalents</b>		<b>(1,994)</b>		<b>849</b>
<b>Cash and cash equivalents at beginning of the period</b>		6,282		5,433
		<u>          </u>		<u>          </u>
<b>Cash and cash equivalents at the end of the period</b>		4,288		6,282
		<u>          </u>		<u>          </u>

**ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2022	2021
	£ '000	£ '000
Cash in hand and at bank	4,073	6,099
Cash on deposit	334	320
Bank overdraft (subsidiary)	(119)	(137)
	<u>          </u>	<u>          </u>
	4,288	6,282
	<u>          </u>	<u>          </u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2022**

**ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1 August</b>	<b>Cash flows</b>	<b>Non-cash</b>	<b>At 31 July</b>
	<b>2021</b>	<b>£ '000</b>	<b>movements</b>	<b>2022</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Cash	6,099	(2,026)	-	4,073
Deposits	320	14	-	334
Bank overdraft (subsidiary)	(137)	18	-	(119)
	<u>6,282</u>	<u>(1,999)</u>	<u>-</u>	<u>4,288</u>
Loan: Less than one year	(73)	(258)	-	(331)
Loan: Greater than one year	(7,182)	(3,522)	-	(10,704)
	<u>(973)</u>	<u>(5,779)</u>	<u>-</u>	<u>(6,747)</u>

## **1. ACCOUNTING POLICIES**

### **Basis of preparation**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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) - Second Edition.

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

The Governing Council consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements

These financial statements consolidate the results of the School and its wholly-owned subsidiaries; Lime Avenue Sales & Services Limited (LASS Ltd) and Benenden International Limited (BIL), on a line by line basis.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 13 March 1924 (company number: 00196353) and registered as a charity in 1941 (charity number: 307854).

### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, Directors are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

#### **1.1 Fees and similar earned income**

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

#### **1.2 Investment income**

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

**1. ACCOUNTING POLICIES (continued)**

**1.3 Donations, legacies, grants and other voluntary income**

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

Government grant income represents the total amount claimed from HMRC under the CJRS. The income is accounted for in the period in which the associated salary payments are made to furloughed staff.

**1.4 Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the Statement of Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the School and its subsidiaries are excluded from trading income and expenditure.

**1.5 Taxation**

Benenden School (Kent) Limited is a registered charity and therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. Income generated outside these charitable activities are liable to tax.

**1.6 Tangible fixed assets**

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £1,000 together with vehicles, furniture, machinery, ICT infrastructure and other equipment costing more than £300 are capitalised and carried in the balance sheet at historical cost. ICT equipment costs less than £300 are written off as incurred.

Other expenditure on equipment incurred in the normal day-to-day running of the School and its subsidiary is charged to the Statement of Financial Activities as incurred.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal annual instalments over their expected useful economic lives as follows:

Freehold Property	- 2% on cost
Furniture and Equipment:	
- Furniture, Equipment and IT	- 33% on cost
- Motor Vehicles	- 33% on cost

No depreciation is provided on freehold land.

**1.7 Investments**

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets. Investments in subsidiaries are valued at cost less provision for impairment.

**BENENDEN SCHOOL (KENT) LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

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**1. ACCOUNTING POLICIES (continued)**

**1.8 Stock**

Stock represents goods for resale and is valued at the lower of cost and net realisable value.

**1.9 Fund accounting**

The charitable trust funds of the School are accounted for as unrestricted or restricted income in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

**Unrestricted** income belongs to the School's corporate reserves, spendable at the discretion of the Governing Council either to further the School's Objects or to benefit the School itself. Where the Governing Council decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Advance fee funds represent the excess assets over liabilities in the old Fees Safeguard Plan which will be used for bursaries.

The Clarke Will fund has been set aside primarily for the funding of bursaries.

**Restricted** funds represent amounts donated to the School for specific purposes such as funding building developments, scholarships, seniors' bursaries and prizes.

**1.10 Pension costs**

Retirement benefits to employees of the School are provided through two pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

(a) The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

(b) The TPT Retirement Solutions (formerly The Pensions Trust) Growth Plan Fund - The plan is a multi-employer scheme, partly money purchase and partly with defined benefits. It is not possible to identify the School's share of the underlying assets and liabilities and therefore as required by FRS102, the School accounts for the scheme as if it were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of the deficit contributions. Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability.

**1.11 Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**1.12 Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**1.13 Hedging arrangements**

The School applies hedge accounting for transactions entered into to manage the cash flow exposures of borrowings.

Changes in the fair values of derivatives designated as cash flow hedges, and which are effective, are recognised directly in other recognised gains and losses in the Statement of Financial Activities. Changes in fair values which are ineffective are recognised within income or expenditure in the Statement of Financial Activities – in line with the hedge accounting treatment above.

Included within these financial statements is the fair value of an interest rate swap contract. The fair value of this interest rate swap is provided by the counterparty. However, the value of the swap is estimated based on the bank's projection of future LIBOR rates and is therefore subject to the interest rate market. It is noted that LIBOR ceased to exist on 31 December 2021 and was replaced by SONIA (Sterling Over Night Index Average), a less volatile risk free rate.

<b>2. SCHOOL FEES</b>	<b>2022</b>	<b>2021</b>
	<b>£ '000</b>	<b>£ '000</b>
Fees receivable comprises		
Current fees	21,729	20,008
Less: Allowances, Scholarships and Bursaries	(1,552)	(1,147)
	<u>20,177</u>	<u>18,861</u>
 Add: Amount from The Benenden School Hong Kong Trust	 1	 2
Bursaries and other awards paid for by restricted funds	101	92
	<u>20,279</u>	<u>18,955</u>

Scholarships, bursaries and other awards were paid to 113 students (2021: 114 students). Within this, means tested bursaries totalling £1,165,000 were paid to 43 students (2021: £878,000 to 33 students).

<b>3. ANCILLIARY TRADING INCOME</b>	<b>2022</b>	<b>2021</b>
	<b>£ '000</b>	<b>£ '000</b>
Fee income for extra subjects	976	865
Entrance and registration fees	67	71
Courses and sub-lettings	130	113
Other income	269	236
	<u>1,442</u>	<u>1,285</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022 (continued)**

**4. INCOME FROM SUBSIDIARIES TRADING ACTIVITIES**

The Charity owns the whole of the share capital of two trading subsidiaries, Lime Avenue Sales & Services Limited (LASS Ltd), a company registered in the United Kingdom with number 1794097 and Benenden International Limited (BIL), a company registered in the United Kingdom with number 12166808.

Lime Avenue Sales & Services Limited continued as the main trading arm of the School and operated the School retail shop, supplying staff, students, visitors and the School with a range of products on a continuing basis.

Benenden International Limited was set up to explore the options for business diversification and access the international market. On 25 November 2020 BIL signed an agreement with Chow Tai Fook Education Group (CTFEG), a Hong Kong based educational group, to establish five Benenden international schools in China. The first school in the group will open in September 2023.

The trading results for the year, as extracted from the audited accounts, are summarised below:

	<b>LASS</b>		<b>BIL</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Turnover	304	264	108	309
Cost of Sales	(179)	(151)	-	-
Gross Profit	125	113	108	309
Administrative Expenses	(96)	(89)	(84)	(70)
Operating profit	29	24	24	239
Interest payable	(5)	(5)	-	-
Net profit	24	19	24	239
Corporation Tax	-	-	-	-
Profit after Tax	24	19	24	239
Retained profit brought forward	77	72	238	(1)
Profit after Tax	24	19	24	239
Gift aid under covenant	(19)	(14)	(238)	-
Retained profit carried forward	82	77	24	238

Turnover in LASS Ltd includes £33,000 (2021: £30,000) supplied to the School, which is an intercompany transfer excluded on consolidation and does not show in the Statement of Financial Activities. At 31 July 2022 there was a £2,000 balance owed to LASS Ltd by the School (2021: £20,000 balance owed to the School by LASS Ltd) and a £nil balance owed from the School to BIL (2021: £nil).

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022 (continued)**

The balance sheets for the year, as extracted from the audited accounts, are summarised below:

	<b>LASS</b>		<b>BIL</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Fixed assets	82	86	-	-
Current assets	148	170	27	240
Less current liabilities	(148)	(179)	(3)	(2)
<b>Net assets</b>	<b>82</b>	<b>77</b>	<b>24</b>	<b>238</b>
Called up share capital	-	-	-	-
Profit and loss account	82	77	24	238
	<b>82</b>	<b>77</b>	<b>24</b>	<b>238</b>

<b>5. INVESTMENT INCOME</b>	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Change in Fair Value of Interest Rate Swap	568	-	-	568
Fixed Interest	1	-	-	1
	<b>569</b>	<b>-</b>	<b>-</b>	<b>569</b>

<b>COMPARATIVE INVESTMENT INCOME – 2021</b>				
	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Equities	-	29	12	41
Change in Fair Value of Interest Rate Swap	170	-	-	170
	<b>170</b>	<b>29</b>	<b>12</b>	<b>211</b>

<b>6. GRANTS AND DONATIONS</b>	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Other	42	-	582	624
	<b>42</b>	<b>-</b>	<b>582</b>	<b>624</b>

<b>COMPARATIVE GRANTS AND DONATIONS – 2021</b>				
	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Government Grants	536	-	-	536
Other	-	-	1,452	1,452
	<b>536</b>	<b>-</b>	<b>1,452</b>	<b>1,988</b>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022 (continued)**

**7. (a) ANALYSIS OF EXPENDITURE**

	<b>Staff Costs</b>	<b>Other</b>	<b>Depreciation and Impairment</b>	<b>Total</b>
<b>EXPENDITURE</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
<b>Costs of raising funds:</b>				
Trading costs	74	248	4	326
Fundraising costs	210	180	-	390
Financing costs	-	263	-	263
Investment manager's fees	-	32	-	32
<b>Total costs of raising funds</b>	<b>284</b>	<b>723</b>	<b>4</b>	<b>1,011</b>
<b>Charitable activities</b>				
<b>Education:</b>				
Teaching costs	7,125	375	-	7,500
Welfare costs	3,673	991	-	4,664
Premises costs	501	1,394	1,100	2,995
Support and governance costs	2,737	2,215	284	5,236
Grants, awards and prizes	-	101	-	101
Impairment provision	-	-	-	-
<b>Total charitable expenditure</b>	<b>14,036</b>	<b>5,076</b>	<b>1,384</b>	<b>20,496</b>
<b>Total expenditure</b>	<b>14,320</b>	<b>5,799</b>	<b>1,388</b>	<b>21,507</b>

**7 (a) COMPARATIVE ANALYSIS OF EXPENDITURE – 2021**

	<b>Staff Costs</b>	<b>Other</b>	<b>Depreciation and Impairment</b>	<b>Total</b>
<b>EXPENDITURE</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
<b>Costs of raising funds:</b>				
Trading costs	73	203	4	280
Fundraising costs	206	51	-	257
Financing costs	-	244	-	244
Investment manager's fees	-	38	-	38
<b>Total costs of raising funds</b>	<b>279</b>	<b>536</b>	<b>4</b>	<b>819</b>
<b>Charitable activities</b>				
<b>Education:</b>				
Teaching costs	7,236	212	-	7,448
Welfare costs	3,294	754	-	4,048
Premises costs	380	1,204	1,061	2,645
Support and governance costs	2,498	2,270	239	5,007
Grants, awards and prizes	-	98	-	98
Impairment provision	-	-	527	527
<b>Total charitable expenditure</b>	<b>13,408</b>	<b>4,538</b>	<b>1,827</b>	<b>19,773</b>
<b>Total expenditure</b>	<b>13,687</b>	<b>5,074</b>	<b>1,831</b>	<b>20,592</b>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022 (continued)**

<b>7 (b) GOVERNANCE INCLUDED IN SUPPORT COSTS</b>	<b>2022</b>	<b>2021</b>
	<b>£ '000</b>	<b>£ '000</b>
Remuneration paid to auditor for audit services	35	33
Remuneration paid to auditor for other services	5	4
Governors' reimbursement of expenses - travel	2	-
Other governance costs	93	110
	<u>135</u>	<u>147</u>
	<u><u>135</u></u>	<u><u>147</u></u>
 Number of Governing Council members reimbursed for expenses in the year	 2	 -
 <b>7. (c) MOVEMENT IN FUNDS</b>	 <b>2022</b>	 <b>2021</b>
	<b>£ '000</b>	<b>£ '000</b>
Group net movement in funds is stated after charging:		
Depreciation and impairment	1,388	1,827
Operating lease rentals		
- land and buildings	-	-
- other	62	79
	<u>62</u>	<u>79</u>
	<u><u>62</u></u>	<u><u>79</u></u>
 <b>7. (d) Grants, awards, and prizes</b>	 <b>2022</b>	 <b>2021</b>
	<b>£ '000</b>	<b>£ '000</b>
<b>From restricted funds</b>		
Bursaries and other awards	101	92
	<u>101</u>	<u>92</u>
	<u><u>101</u></u>	<u><u>92</u></u>
 <b>8. FINANCING COSTS</b>	 <b>2022</b>	 <b>2021</b>
	<b>£ '000</b>	<b>£ '000</b>
Fees in advance debt financing	6	8
Loan interest and bank charges	257	236
	<u>263</u>	<u>244</u>
	<u><u>263</u></u>	<u><u>244</u></u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022 (continued)**

**9. STAFF COSTS**

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
The average number employed by the company within each category of persons was:		
Teaching (including peripatetic teachers)	144	146
Welfare	34	35
Premises	13	13
Support	195	196
	<u>386</u>	<u>390</u>

	<b>£ '000</b>	<b>£ '000</b>
The costs incurred in respect of these employees were:		
Wages and salaries	11,284	10,849
Social Security costs	1,189	1,107
Pension costs	1,711	1,696
Termination payment	10	35
	<u>14,194</u>	<u>13,687</u>

Aggregate employee costs of key management personnel	<u>1,138</u>	<u>1,093</u>
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	<b>No.</b>	<b>No.</b>
The number of higher paid employees was:		
Taxable emoluments band:		
£60,000 - £70,000	16	12
£70,000 - £80,000	9	5
£80,000 - £90,000	2	4
£90,000 - £100,000	-	1
£100,000 - £110,000	1	1
£110,000 - £120,000	1	-
£130,000 - £140,000	1	1
£140,000 - £150,000	-	-
£210,000 - £220,000	1	1
	<u>1</u>	<u>1</u>

	<b>No.</b>	<b>No.</b>
The number with retirement benefits accruing was:		
In defined contribution schemes	7	5
In defined benefit schemes	23	19
	<u>23</u>	<u>19</u>

	<b>£ '000</b>	<b>£ '000</b>
In defined contribution schemes	60	48
In defined benefit schemes	412	343
	<u>412</u>	<u>343</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022 (continued)**

**10. TANGIBLE FIXED ASSETS**

	<b>Freehold Property £'000</b>	<b>Furniture and equipment £'000</b>	<b>Assets Under construction £'000</b>	<b>Charity Total £'000</b>	<b>Subsidiary Property and equipment £'000</b>	<b>Group Total £'000</b>
<b>COST</b>						
At 1 August 2021	53,073	1,136	17,430	71,639	142	71,781
Additions	1,915	339	7,656	9,910	-	9,910
Disposals	-	(231)	-	(231)	-	(231)
Reclassifications						
At 31 July 2022	<u>54,988</u>	<u>1,244</u>	<u>25,086</u>	<u>81,318</u>	<u>142</u>	<u>81,460</u>
<b>DEPRECIATION</b>						
At 1 August 2021	15,018	897	-	15,915	56	15,971
Charge for the year	1,100	284	-	1,384	4	1,388
On Disposals	-	(231)	-	(231)	-	(231)
At 31 July 2022	<u>16,118</u>	<u>950</u>	<u>-</u>	<u>17,068</u>	<u>60</u>	<u>17,128</u>
<b>NET BOOK VALUE</b>						
At 31 July 2022	<u>38,870</u>	<u>294</u>	<u>25,086</u>	<u>64,250</u>	<u>82</u>	<u>64,332</u>
At 31 July 2021	<u>38,055</u>	<u>239</u>	<u>17,430</u>	<u>55,724</u>	<u>86</u>	<u>55,810</u>

**11. INVESTMENTS**

	<b>2022 £ '000</b>	<b>2021 £ '000</b>
<b>Group and company</b>		
At Market Value		
At 1 August 2021	6,790	5,951
Additions	10	6
Disposals	(31)	(30)
Investment Manager's Fees charged to Portfolio	(42)	-
Revaluations to closing or sale at Market Value	(131)	863
At 31 July 2022	<u>6,596</u>	<u>6,790</u>
Listed	<u>5,688</u>	<u>6,359</u>
Historical cost	<u>6,108</u>	<u>5,947</u>

Included within the charity balance sheet is £2 investment in the subsidiary companies (see note 4).

All the above investments (other than the subsidiary company) are quoted on a recognised UK Stock Exchange or are valued by reference to investments listed on a recognised UK Stock Exchange.

**BENENDEN SCHOOL (KENT) LIMITED**  
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**FOR THE YEAR ENDED 31 JULY 2022 (continued)**

12. DEBTORS	Group		Charity	
	2022 £ '000	2021 £ '000	2022 £ '000	2021 £ '000
Fee debtors less refundable deposits	386	344	386	344
Other debtors	103	142	96	137
Prepayments and accrued income	876	697	873	695
Amounts owed to trading subsidiaries	-	20	-	20
	<u>1,365</u>	<u>1,203</u>	<u>1,355</u>	<u>1,196</u>
The bad debt expense for the period was	-	5	-	5

13. CREDITORS: amounts falling due within one year	Group		Charity	
	2022 £ '000	2021 £ '000	2022 £ '000	2021 £ '000
Loans and overdrafts	476	210	357	73
Trade creditors	928	1,572	919	1,564
Fees received in respect of Autumn Term	304	588	293	588
Social Security and Other Taxes	757	318	757	312
Student deposits	607	520	607	520
Pensions Trust creditor	50	115	50	115
Other creditors	37	85	37	65
Accruals and deferred income	3,543	1,530	3,533	1,520
Amounts owed to Trading subsidiaries	2	-	2	-
Advance fees (see note 16)	420	561	420	561
	<u>7,124</u>	<u>5,499</u>	<u>6,975</u>	<u>5,318</u>

14. CREDITORS: amounts falling due after more than one year	Group		Charity	
	2022 £ '000	2021 £ '000	2022 £ '000	2021 £ '000
Students' deposits	3,692	3,437	3,692	3,437
Advance fees (see note 16)	580	687	580	687
Interest Rate Swap liability	(450)	118	(450)	118
Bank loan (see note 15)	10,704	7,182	10,704	7,182
Pensions Trust Creditor	70	-	70	-
	<u>14,596</u>	<u>11,424</u>	<u>14,596</u>	<u>11,424</u>

15. **BANK LOAN**

On 28 March 2019 the School entered into a Facility Agreement with HSBC relating to a Revolving Loan Facility of up to £15m converting to a Term Loan Facility. A hedging instrument was put in place in the form of an Interest Rate Swap. The loan interest is a floating rate but is fixed at 2.37% until 30 April 2029 through the swap which at 31 July 2022 represented 85% of the loan drawdown value.

	2022 £ '000	2021 £ '000
After 5 years	8,939	6,021
Within 2 to 5 years	1,324	871
Within 1 to 2 years	441	290
	<u>10,704</u>	<u>7,182</u>
Within 1 year	331	73
	<u>11,035</u>	<u>7,255</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022 (continued)**

**16. ADVANCE FEES**

Under the School's fees in advance schemes, contributors may enter into a contract to pay to the School up to the equivalent of seven years' tuition fees in advance. The liability is valued at the balance sheet date, but has been allocated assuming that students will remain in the School for the normal duration:

	<b>2022</b>	<b>2021</b>
	<b>£ '000</b>	<b>£ '000</b>
After 5 years	49	-
Within 2 to 5 years	271	309
Within 1 to 2 years	260	378
	<u>580</u>	<u>687</u>
Within 1 year	420	561
	<u>1,000</u>	<u>1,248</u>

The movements during the year on the accrued liability under the contracts were:

Balance at 1 August 2021	1,248
New contracts	362
	<u>1,610</u>
Amounts utilised in payment of fees to the School:	610
	<u>(610)</u>
Capital repaid	-
Balance at 31 July 2022	<u>1,000</u>

**17. ALLOCATION OF THE GROUP'S NET ASSETS EXCLUDING SHARE CAPITAL**

	<b>Fixed Assets</b>	<b>Investments</b>	<b>Net current Assets/ (Liabilities)</b>	<b>Long term Liabilities</b>	<b>Fund Balances</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Unrestricted funds					
- Designated (Fees Safeguard Plan)	-	-	151	-	151
- Designated (Clarke Will)	-	3,182	-	-	3,182
- General	64,250	1,572	(4,680)	(14,596)	46,546
Restricted funds	-	1,842	3,330	-	5,172
<b>Charity funds</b>	<u>64,250</u>	<u>6,596</u>	<u>(1,199)</u>	<u>(14,596)</u>	<u>55,051</u>
Subsidiary's reserves	82	-	24	-	106
<b>Group funds</b>	<u>64,332</u>	<u>6,596</u>	<u>(1,175)</u>	<u>(14,596)</u>	<u>55,157</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022 (continued)**

**17. ALLOCATION OF THE GROUP'S NET ASSETS EXCLUDING SHARE CAPITAL – 2021**

	<b>Fixed Assets £ '000</b>	<b>Investments £ '000</b>	<b>Net current Assets/ (Liabilities) £ '000</b>	<b>Long term Liabilities £ '000</b>	<b>Fund Balances £ '000</b>
Unrestricted funds					
- Designated (Fees Safeguard Plan)	-	-	151	-	151
- Designated (Clarke Will)	-	3,475	-	-	3,475
- General	55,724	1,390	(1,127)	(11,424)	44,563
Restricted funds	-	1,925	3,073	-	4,998
<b>Charity funds</b>	<b>55,724</b>	<b>6,790</b>	<b>2,097</b>	<b>(11,424)</b>	<b>53,187</b>
Subsidiary's reserves	86	-	229	-	315
<b>Group funds</b>	<b>55,810</b>	<b>6,790</b>	<b>2,326</b>	<b>(11,424)</b>	<b>53,502</b>

**DESIGNATED FUNDS**

Designated funds comprise unrestricted funds that have been set aside by the Governing Council and consist of the retained surplus in the Fees Safeguard Plan and the Clarke Will Fund. The Fees Safeguard Plan fund represents the current surplus of assets of the Fees Safeguard Plan over its liabilities, whereas the Clarke Will fund has been set aside for the funding of bursaries.

**RESTRICTED FUNDS**

Restricted funds consist of those detailed in Note 19 and are held for the purpose of providing bursaries, scholarships and building work.

**18. RESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	<b>Balance at 1 August 2021 £ '000</b>	<b>Income £ '000</b>	<b>Investment Income £ '000</b>	<b>Expenditure £ '000</b>	<b>Investment Gains/(Losses) and Transfers £ '000</b>	<b>Balance at 31 July 2022 £ '000</b>
Restricted Funds:						
Restricted Income funds	825	-	-	(1)	(4)	820
Seniors Bursary Fund	681	41	-	(30)	(13)	679
Trust Scholarships	862	-	-	(4)	(22)	836
Sacha and Susannah Stephens' Bursary	85	-	-	-	(2)	83
Founders Memorial Scholarship Fund	34	-	-	-	(1)	33
Founders Memorial Event Fund	23	-	-	-	-	23
Hunt Memorial Concert Fund	40	-	-	-	(1)	39
Trust Award	64	8	-	(45)	-	27
Heart of Benenden	2,214	475	-	-	(255)	2,434
Founders Scholarship	170	58	-	(30)	-	198
	<b>4,998</b>	<b>582</b>	<b>-</b>	<b>(110)</b>	<b>(298)</b>	<b>5,172</b>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022 (continued)**

**2021 COMPARATIVE RESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 August 2020 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Investment Gains/(Losses) and Transfers £ '000	Balance at 31 July 2021 £ '000
Restricted Funds:						
Restricted Income funds	246	547	2	(1)	31	825
Seniors Bursary Fund	607	36	4	(19)	53	681
Trust Scholarships	749	-	5	(5)	113	862
Sacha and Susannah Stephens' Bursary	73	-	1	-	11	85
Founders Memorial Scholarship Fund	29	-	-	-	5	34
Founders Memorial Event Fund	21	-	-	-	2	23
Hunt Memorial Concert Fund	34	-	-	-	6	40
Trust Award	82	21	-	(39)	-	64
Heart of Benenden Founders Scholarship	2,108	803	-	-	(697)	2,214
	164	45	-	(39)	-	170
	<u>4,113</u>	<u>1,452</u>	<u>12</u>	<u>(103)</u>	<u>(476)</u>	<u>4,998</u>

The restricted funds held in the Seniors Bursary Fund are held by the School as Trustee.

**19. UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 August 2021 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Investment Gains/(Losses) And Transfers £ '000	Balance at 31 July 2022 £ '000
Designated funds:						
Advance fee payments	151	-	-	-	-	151
Clarke Will	3,475	-	-	(15)	(278)	3,182
General fund Reserves	44,563	21,763	569	(21,051)	702	46,546
	<u>48,189</u>	<u>21,763</u>	<u>569</u>	<u>(21,066)</u>	<u>424</u>	<u>49,879</u>
Charity Non-charitable trading funds	315	379	-	(331)	(257)	106
Group	<u>48,504</u>	<u>22,142</u>	<u>569</u>	<u>(21,397)</u>	<u>167</u>	<u>49,985</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022 (continued)**

**2021 COMPARATIVE UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 August 2020 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Investment Gains/(Losses) And Transfers £ '000	Balance at 31 July 2021 £ '000
Designated funds:						
Advance fee payments	151	-	-	-	-	151
Clarke Will	2,857	-	29	(27)	616	3,475
General fund Reserves	43,083	20,776	170	(20,177)	711	44,563
	<u>46,091</u>	<u>20,776</u>	<u>199</u>	<u>(20,204)</u>	<u>1,327</u>	<u>48,189</u>
Charity Non-charitable trading funds	71	543	-	(285)	(14)	315
Group	<u>46,162</u>	<u>21,319</u>	<u>199</u>	<u>(20,489)</u>	<u>1,313</u>	<u>48,504</u>

**20. SHARE CAPITAL**

	2022 £	2021 £
<b>Authorised</b>		
10 Ordinary "B" Shares of £1 each	14	14
<b>Allotted, Issued and Fully Paid</b>		
10 Ordinary "B" Shares of £1 each	14	14

**21. FINANCIAL AND CAPITAL COMMITMENTS**

	Other 2022 £ '000	2021 £ '000
Operating leases that are subject to future minimum lease commitments are as follows:		
Within one year	51	79
In the second to fifth years	11	45
In more than five years	-	-

The capital commitment for the School Hall and Music School at 31 July 2022 was £2.9m (2021: £2.7m) for which the School has arranged an unsecured term facility with HSBC. A further capital commitment relating to Boarding Accommodation upgrades at 31 July 2022 was £0.7m.

**22. RELATED PARTIES**

**LIME AVENUE SALES AND SERVICES LIMITED – LASS Ltd**  
The directors of LASS Ltd, as indicated under Governing Council and Officers on page 38-39, are members of Governing Council or the Senior Management Team. During the year ended 31 July 2022 the company's turnover included £33,000 (2021: £30,000) from supplies to Benenden School (Kent) Limited. LASS Ltd also made a donation of £19,000 under gift aid to the charitable company. At the year-end, a balance of £2,000 was owed to LASS Ltd by Benenden School (Kent) Limited (2021: £20,000 was owed to Benenden School (Kent) Limited by LASS Ltd).

**BENENDEN INTERNATIONAL LIMITED - BIL**  
Several members of Governing Council and the Senior Management Team also served in the year as directors of BIL, as indicated under Governing Council and Officers details. During the year recharges of £109,000 were paid by BIL to the School.

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022 (continued)**

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**22. RELATED PARTIES (continued)**

Benenden School, a company registered in the United Kingdom with number 11352204, is a wholly owned subsidiary of the Charity.

No Governing Council members received any remuneration. During the year, three (2021: four) Governing Council members had children at the School. No Governing Council member received remuneration (2021: no member) for services supplied to the School.

During the year, the School obtained within its general insurance, professional indemnity and governors liability insurance cover of £5m (2021: £5m), the cost of which cannot be split.

**23. PENSION SCHEMES**

Retirement benefits to employees of the School are provided through two defined benefit schemes which are funded by the School's and employees' contributions.

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1.2m (2021: £1.2m) and at the year-end £146,000 (2021: £149,000) was accrued in respect of contributions to this scheme.

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

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

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022 (continued)**

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

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

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

**TPT Retirement Solutions' Growth Plan**

Support staff are eligible to contribute to TPT Retirement Solutions' (formerly The Pensions Trust) Growth Plan. The plan is a multi-employer scheme, partly money purchase and partly with defined benefits. The School contributes at a rate between 3% and 11% of gross pensionable salary, together with an additional premium to meet an underfunded liability as advised by TPT Retirement Solutions. The multi-employer scheme structure enables sponsors to pool costs and access a wider range of support, administration, and investment services than most could reasonably afford alone. However, the multi-employer structure does come with risk and managing this is an important element of the TPT Committee's remit. Despite the financial controls preventing weaker employers from building up new liabilities, it is possible that an employer may become insolvent and be unable to meet the full cost of settling its liabilities. If so, those 'orphan' liabilities, as they are known are shared amongst the remaining employers. The scheme has a mix of different sized employers with a wide spread of the share of liability. Of the 950 employers, over 95% have less than a 1% share of the liabilities. The largest individual employer share is 2.7%. Therefore, if an employer in the Scheme became insolvent, the impact on the remaining employers is relatively low. If the School were to leave the scheme it would have a liability to it. At 30 September 2021 this liability would have been £1.167m (2020: £1.856m). There is no plan to leave the scheme, so this contingent liability has not been provided for in the accounts. However, the School has currently earmarked an amount of £1.5m against this possible liability.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme. The School is committed to deficit repayments in relation to The Pensions Trust Growth plan of £115k per annum over a period of 10 years from 1 April 2013, indexed at 3% per annum. In line with the requirements of FRS 102, a liability of £120,000 (2021: £115,000) has been recognised in relation to this.

Both Schemes permit staff to make additional voluntary contributions.

	<b>2022</b>	<b>2021</b>
	<b>£ '000</b>	<b>£ '000</b>
Total contributions incurred during the year were:		
Teaching staff	1,164	1,192
Support staff	547	504
	<u>1,711</u>	<u>1,696</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022 (continued)**

**24. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES – 2021**

	Unrestricted Funds		Restricted Funds	Total 2021
	General Funds	Designated Funds		
	£ '000	£ '000	£ '000	£ '000
<b>INCOME FROM:</b>				
<b>Charitable activities</b>				
School fees	18,955	-	-	18,955
Ancillary trading income	1,285	-	-	1,285
<b>Other trading activities</b>				
Trading company	543	-	-	543
<b>Investment income</b>	170	29	12	211
<b>Voluntary sources</b>				
Grants and donations	536	-	1,452	1,988
<b>Total Income</b>	<b>21,489</b>	<b>29</b>	<b>1,464</b>	<b>22,982</b>
<b>EXPENDITURE ON:</b>				
<b>Raising funds</b>				
Trading costs	280	-	-	280
Fundraising costs	257	-	-	257
Financing costs	244	-	-	244
Investment management	-	27	11	38
	781	27	11	819
<b>Charitable activities</b>				
Educational activities and grant making	19,681	-	92	19,773
<b>Total Expenditure</b>	<b>20,462</b>	<b>27</b>	<b>103</b>	<b>20,592</b>
<b>NET INCOME BEFORE TAX</b>	<b>1,027</b>	<b>2</b>	<b>1,361</b>	<b>2,390</b>
Taxation payable	-	-	-	-
<b>NET INCOME AFTER TAXATION BEFORE INVESTMENTS GAINS</b>	<b>1,027</b>	<b>2</b>	<b>1,361</b>	<b>2,390</b>
<b>NET INCOME AFTER TAXATION AND INVESTMENTS GAINS</b>	<b>1,027</b>	<b>618</b>	<b>1,582</b>	<b>3,227</b>
Transfers	697	-	(697)	-
<b>NET MOVEMENT IN FUNDS</b>	<b>1,724</b>	<b>618</b>	<b>885</b>	<b>3,227</b>
Balance brought forward at 1 August 2020	43,154	3,008	4,113	50,275
Balance carried forward at 31 July 2021	44,878	3,626	4,998	53,502

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## Governing Council and Officers

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Benenden School (Kent) Limited is a limited company with charitable status. The Directors of the company, who are the Trustees of the charity, are the members of the Governing Council of Benenden School. Those who served during the year and subsequently were:

The Hon Mrs J S Birkett	1, 7, 21
Ms F J Conway Blakemore	15, 18
Mrs A V Caton (appointed 18 February 2023)	15
Ms A J Clarke	8,17,19
Dr F E Cornish	10, 21
Mrs D Coslett	3, 20
Dr R W Evenett~	9, 16
Mr P A J C Marshall	14, 20
Mr D McBeath (appointed 13 December 2021)	13, 18
Mrs M McDonald	12, 22
Mrs A McNab*~	2, 5, 11, 14, 17
Mr J P Pearce~	6, 17, 22
Mr P A Simpkin	15
Mrs C Stewart~ (appointed 18 February 2023)	19
Prof L C Taub	13, 19
Mrs C L Thomas (appointed 25 April 2022)	4, 18

Governing Council Members are appointed by the Governing Council for a term of four years. They can be re-elected or retire by rotation. There are no nominated Governing Council Members.

Denotes Committee membership (as at 16 March 2023 or prior to retirement):

- |   |  |
|---|--|
| 1. Chair of Governing Council                   | 12. Chair of Development Board                   |
| 2. Deputy Chair of Governing Council            | 13. Member of Education Committee                |
| 3. Chair of Education Committee                 | 14. Member of Estates Committee                  |
| 4. Chair of Estates Committee                   | 15. Member of Finance Committee                  |
| 5. Chair of Finance Committee                   | 16. Member of Investment Committee               |
| 6. Chair of Investment Committee                | 17. Member of Nominations Committee              |
| 7. Chair of Nominations Committee               | 18. Member of Remuneration Committee             |
| 8. Chair of Remuneration Committee              | 19. Member of Risk Committee                     |
| 9. Chair of Risk Committee                      | 20. Member of Safeguarding Committee             |
| 10. Chair of Safeguarding Committee             | 21. Member of Development Board                  |
| 11. Chair of Bursary and Partnerships Committee | 22. Member of Bursary and Partnerships Committee |

\* Director of LASS Ltd

~ Director of BIL

## SHAREHOLDERS

The School is owned by holders of "B" shares; there are no "A" shareholders. The list of shareholders is the same as the list of Governing Council members shown above.

No payment was made to any Directors for their services as Members of the Board of Governing Council Members. They were reimbursed expenses directly incurred on school business.

## OFFICERS

Headmistress	Mrs S A Price
Director of Finance and Operations	Mrs J E Lerbech *
Secretary	Mr J M M Graham (until 31 December 2022)
Secretary	Mrs E J Bradley (from 1 January 2023)
Further members of the Senior Management Team	Mr M J L Commander ~ Mr R N George Mrs A E Harber (until 31 August 2021) Mr K A Johnson Mr S Miller Mr I G Read Ms H J R Semple (from 1 September 2021) Mrs L A Tyler Mrs A M Wakefield

Address and Registered Office	Benenden School (Kent) Limited Cranbrook Kent TN17 4AA
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Company Number	196353
Charity Number	307854

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## Advisers

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### Bankers

Coutts & Co.  
440 Strand  
London WC2R 0QS

HSBC UK Bank Plc  
1<sup>st</sup> Floor, First Point, Buckingham Gate  
London Gatwick Airport  
West Sussex RH6 0NT

### Solicitors

Farrer & Co.  
66 Lincoln's Inn Fields  
London WC2A 3LH

### Auditors

Haysmacintyre LLP  
10 Queen St Place  
London EC4R 1AG

### Investment Advisers

Sarasin & Partners LLP  
Juxon House  
100 St Paul's Churchyard  
London EC4M 8BU

### Insurance Brokers

Marsh Brokers Limited  
Education Practice  
Capital House  
1-5 Perrymount Road  
Haywards Heath  
West Sussex RH16 3SY



BENENDEN

**BENENDEN SCHOOL (KENT) LIMITED**

England & Wales - Charity number 307854

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# Accounts

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BENENDEN



**BENENDEN SCHOOL (KENT) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

Registered Company No: 196353

Charity No: 307854

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## Chairman of Governing Council's Introduction

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The presentation of the annual report and accounts for Benenden School is always a moment when we are able to reflect on a year of significant academic and co-curricular achievements by the pupils and this year is no exception. Alongside those achievements and some key strategic developments for the School, we are also pleased to report on its social impact, which is growing with every year as a result of enthusiastic participation across the School community in our outreach and partnership activities. The Head's report below gives an insight into the many and varied achievements of the School during the past year.

The year has of course been significantly affected by the continuing Coronavirus pandemic which has caused further major disruption to education. That so much has been achieved by Benenden School amid so much disruption and uncertainty is a tribute to the resilience, ingenuity and determination of its executive leadership, staff and pupils. Opportunity often emerges from adversity, and we look forward to seeing some of the changes introduced in response to the pandemic take root for the longer term as they are recognised as "Covid Keepers" – initiatives which are contributing to the continuous improvement of the School's educational offer. The establishment of digital technology as a core pedagogical tool throughout the School is a notable and exciting example of this.

Governing Council has also had a very busy year as we continue to guide the School towards its Centenary, now only two years away. Together with the Head and Senior Management Team we have been keen to keep a healthy focus on the longer term at the same time as managing the short term financial and operational impacts of the pandemic.

Key developments over the last year include:

- the arrival of the School's first day boarders in September 2021;
- the transformation of Medway into a house dedicated to the Fourths, allowing them to arrive at the School and settle in together before moving to their Lower School House in Year 8;
- the refurbishment of Medway and Marshall, the first stage in our planned refurbishment of all the Lower School houses;
- continued progress of the redevelopment of the School Hall and Music School as the centrepiece of the Centenary Vision. Excitement is mounting across the community as the project nears completion in early 2022 and we will shortly have a state-of-the-art educational and performance facility for use both by the School and by the wider community;
- we have developed a long term and bold bursary vision to expand our ability to provide fully and substantially funded fee-supported places at the School. This is one of the ways the School aims to deliver significant social impact both in the local community and beyond and we hope it will result in the School being able to offer places to pupils from a wide range of backgrounds who can then benefit from the Complete Education which is our hallmark;
- the start of our formal collaboration with CTFE, a Hong Kong-based education group for the development of Benenden branded schools in southern China. This will deliver an additional income stream to Benenden and will also enable us to work with CTFE on both curriculum and pedagogy-based educational developments;
- as part of the bursary vision, we have set ourselves an ambitious fundraising target to raise £15 million by 2030 to generate funds to support both our programme of fee-supported places at Benenden and our partnership work in the education sector and in the community;

- as well as continuing to consolidate our long-standing partnership with The John Wallis Church of England Academy in Ashford, we have recently launched the Wealden Hub which will involve eight local state and independent schools working together to support the provision of high quality education in the local area;
- last, but certainly not least, I am delighted that our Head, Mrs Samantha Price, is this year's President of the Girls' Schools Association in which capacity she is contributing significantly to the national debate on education across the sector. This is just one of the external roles held by members of our staff as they ensure that they and we as a school play our full part in ensuring that young people in this country receive the quality of education they deserve and need.

As I write this COP26 is well underway in Glasgow and sustainability is at the forefront of current debate. The School is committed to honouring its sustainability responsibilities as an educational charity and business. With a heritage residential campus in a rural setting there is much for us to consider, and we are actively engaged in initiatives to incorporate the sustainability agenda into all our decision making.

In summary, the School is busy, thriving and has its sights set firmly on the future. As we look to that future we are conscious of the economic, political and social uncertainties which lie ahead and we continually assess their potential impact on the School. Governing Council remains committed to ensuring the School is well positioned strategically and is sufficiently financially resilient to be able to implement its development plans against that backdrop.

The Hon Mrs A Birkett MA, MBA

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## Head's Report

### Review of the Year

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#### **Activities and Achievements**

Our aim at Benenden is to provide each pupil with a Complete Education and despite the challenges of the last 18 months the School has successfully managed to effectively provide this for every girl, whether it be on site or online. Our Complete Education is achieved through a stimulating and stretching curriculum, complemented by a wealth of co-curricular opportunities and a specific focus on personal growth, global and community awareness as we focus on developing ethical leaders of the future. We challenge ourselves to ensure that this is a Complete Education which is both truly excellent and continually evolving to reflect a changing world which requires an outstanding technological education and a strong commitment to sustainability and ethical leadership. To this end we strive to ensure that, through a robust ongoing review of our offering and resources, we are able to deliver to every girl this aim.

Our Complete Education is, of course, supported by 'Benenden Boarding' for all, where girls enjoy all that our boarding school provides, with the additional benefit of being able to have regular access to home through weekend leaves and an active engagement with parents who regularly visit and attend a myriad of events at weekends. In response to strong demand from our local market, from September 2021 we will now offer a limited number of 'day boarding' places at Year 9 and 12 entry to local girls wishing to immerse themselves in our educational provision, the only difference being that they will sleep at home.

We continue to work hard to ensure that the bespoke, innovative and creative approach we take to our curriculum continues to thoroughly prepare the girls for public exams and provide them with the skills that will enable them to thrive in higher education and into a continually evolving and competitive workplace. In response to this, we have continued to evolve and now monitor an individual's progress within each of the five areas of our Complete Education model that translate across academic excellence, co-curricular participation and personal development. They are: Skills for Life, Global Awareness, Mind and Spirit, Physical Health and Wellbeing, and Creativity and Culture.

At the heart of personal development sits community responsibility and our pupils recognising the responsibility they have in this regard. This is underpinned by our extensive partnership programme. To this end, enthusiasm for the School's Outreach programme continued to grow with a majority of the Upper School actively seeking to get involved with the community beyond the School. With the lifting of Covid restrictions, the pupils return to in-person partnership activities from September 2021.

#### **Partnerships**

The numerous partnerships that we are involved with include both staff and students and are defined by the reciprocal benefits of these mutual relationships. During the year, the School contributed a sizeable proportion of time to partnership activities, though in comparison to previous years the amount of time and range of activities has been adversely affected by the Covid situation. It is expected that in the next year the School will be in line with or exceed our previous years' contribution to partnerships.

#### **The John Wallis Academy**

Benenden is one of four founding sponsors of The John Wallis Church of England Academy. The relationship has developed every year into a reciprocal friendship between the schools. Shared

presence on governance, academic collaboration and a myriad of opportunities have grown organically over the years, supported in full by the leadership of both schools. Lockdown presented a real challenge, not to the sustenance of the relationship as this was so embedded in our schools' DNA, but simply due to logistical challenges of meeting in a Covid safe way. As schools embraced technology to reach out to our own students, we soon saw that the same technology could sustain and enrich our own partnership for the mutual benefit of both parties.

The mentoring programme where Benenden Sixth Formers support Year 11 academy students moved online with great success, demonstrating once again how technologically agile and familiar young people are. The Science, Maths and English curriculum in the first lockdown was supported at the Academy by Benenden staff. The sharing of good practice, especially the advantages and some of the pitfalls of moving an entire curriculum online, was a common talking point. Mutual contributions to school governance continued; Benenden staff and Academy staff are well represented on each other's main council body and various sub committees. As both schools, like everyone up and down the country, wrestled with Teacher Assessed Grades, Benenden and The John Wallis Academy were able to engage in cross-school discussions, moderation and comparison of procedures. With both schools able to share ideas and approaches there was a great enriching of our approaches to this difficult task.

With restrictions beginning to ease, Benenden has reinstated primary visits from the Academy to use the forest school, sports and drama facilities. During the summer Benenden hosted the final day of The John Wallis Academy's impressive summer school as over 200 children performed a choral piece to celebrate their achievements during the holiday activities.

We now plan for the coming year knowing that even with many of the restrictions receding the many lessons and skills learnt during lockdown will be enjoyed into the future for the benefit of the great schools we serve.

### **Volunteer Programme**

The numbers of pupils volunteering over the year has been reduced in contrast to previous years due to movement restrictions. Many pupils have, however, switched to volunteer in a virtual capacity with both our partner school (The John Wallis Academy) and through our Ed Club initiative (mentoring via Skype to some of the poorest children in Nairobi). From March 2021 physical visits resumed and our previous volunteering programme will be reinstated from September 2021, with 60 pupils being involved with volunteering each week, helping at a variety of organisations, including local schools, charities and care homes. Benenden will continue to fund the staffing and support necessary to make this happen.

### **Kent Academies Network**

Benenden is also a member of the Kent Academies Network (KAN) and is a key participator in the KAN programme designed to support students from underprivileged backgrounds to aspire to higher education. Over the last year Benenden staff have continued to play a key role in the delivery of The Kent Academy Network University access scheme, with 11 teachers giving up their time in the summer holidays to teach students from several Kent Academies.

### **Local Schools and future partnership hub plans**

Several of our senior management team (SMT) are governors at a range of schools at both independent and state sector institutions. Over the next year it is envisioned that Benenden will help to create a partnership hub in the local Cranbrook area – this will be in addition to its bi-lateral arrangement with The John Wallis Academy.

### **Benenden Village Shop**

The School-owned village shop, which is leased to the Village Community Group for a nominal rent, continues to prosper, providing a key service to the community. From September 2021, Benenden students will continue to provide support through the volunteer programme helping in the shop, serving behind the counter and in the café.

### **Charitable Fundraising**

As a community, the School has always worked hard to support others through its charitable work and its programme of outreach activities. Charitable fundraising at the School is strong: in the year 2020-2021, the School raised £8,493 for a wide range of organisations and causes both in the UK and abroad. Some of these included Walking with The Wounded (£2,200); The Dare to Live Trust (£2,200); APIE (£2,375); and Kent Kindness (£365). In addition, the school community of pupils and staff raised further charitable funds through a range of activities. As well as raising funds, students and staff also participated in the Operation Christmas Child Shoebox Appeal. Most of these activities are student-led initiatives which school staff support and facilitate.

### **Welcoming the Community**

The School continues to offer its facilities to local and overseas users with several organisations regularly using the sports centre, swimming pool, all-weather pitch, and the tennis courts. The Eco-Classroom is available for use by local schools. Kent Music has now been running their popular summer school here at Benenden for more than 40 years. Although this year the School was again unable to host the village fireworks event on site due to the ongoing Covid situation, it is hoped this will proceed as usual next year.

Benenden hosts two local groups supporting elderly and disabled people by providing teas, musical entertainment and the good company of our students; this has been impacted by the events of this year but our intention is that the School can continue this support.

### **Bursaries and Scholarships**

The School is pleased to have been in a position to fully fund bursaries for 8 girls' academic and pastoral studies during the year. Selection for the fully funded places took place over a prolonged period of assessment and involved much consultation with Heads of local primary schools to identify suitable candidates.

The full amount of scholarships, bursaries and allowances awarded by the School and the Hong Kong Trust was £1,147,000 (2020: £1,272,000) of which £1,053,000 (2020: £1,096,000) was given by the School to provide financial assistance and reward academic, sporting and musical excellence. This resulted in 21.2% (2020: 22.9%) of pupils receiving fee concessions from the School, which vary from support of 10% to a full bursary of 110%. The School no longer attaches a monetary value to academic scholarships awarded, choosing instead to increase the number of pupils benefiting from bursary support.

Benenden is a relatively young foundation and therefore does not benefit from an endowment to support enabling wider access through offering fully funded places. Nevertheless, it is the School's firm ambition through a very ambitious strategy to significantly increase the number of fully funded and subsidised places we can offer in the future. Continuing to broaden access to Benenden's education is an absolute priority.

### **Overview of the Year**

School life has flourished this year, despite the obvious disruption of the pandemic.

From a strategic perspective, it has been a significant year, with the announcement of the introduction of our first day pupils (starting with us in September 2021) and the creation of a boarding house dedicated to the Fourths, which was inspired by the positive experience of this year group temporarily living together during the pandemic. Medway and Marshall houses have been completely refurbished, with Medway now our dedicated Fourths' house.

Academic highlights have been numerous but perhaps the most notable among them was the Science Department joining with other schools to produce the TEDx Global Youth Countdown event, a project that featured an appearance by HRH The Duke of Cambridge. Another group of Benenden scientists took part in a global science project supporting an expert team's pursuits by evaluating their research into electrospinning cellulose acetate to form nanofibers.

We have welcomed a series of visiting speakers, either in person or virtually, and who have often been invited directly by students. These include politicians Greg Clark, David Lammy, Nicky Morgan, Lord Dunlop and Jacob Rees-Mogg. Other speakers included BBC presenter Mishal Husain, Chinese culture expert Prof Sabina Knight, composer Rupert Gregson-Williams, acclaimed musician Chi-chi Nwanoku, historian Dr Richard Rex, ethics author Jason Brennan and mindfulness exponent Gelong Thubten.

More broadly, we have taken a fresh look at how we prepare our students for their futures and as a result launched our Futures Programme, which encapsulates all the activity across the school that helps our students to develop their skills and experience to prepare them for the workplace and life.

In the absence of public exams again and following the success of similar programmes last year, we also ran our LEAP and FoundersFest programmes for the Upper Fifth and Six Two respectively, in which we offer short courses and experiences covering different aspects of academic, professional and practical life. These again proved incredibly popular with students and have inspired us to permanently introduce a series of such short elective courses and qualifications into our curriculum as part of our commitment to the Futures Programme.

The School is always honoured to receive endorsement from external parties. We won Tatler's Best School Food award for 2020 – proving what parents have been saying for years, that Benenden has the best food in the independent sector – and Cricketer magazine named Benenden as one of the top 20 girls' schools for Cricket provision. Indeed, the growth of Cricket this year at Benenden has been phenomenal, greatly aided by the introduction of indoor nets.

We have also been delighted to record so many individual successes. A Six Two student won the five-part Glion & Les Roches Autumn 2020 Masterclass series and another Sixth Former was named as the national winner of the LIBF Financial Times Young Journalist Competition in the 16-17 age group. Our debating team also reached the Regional Final of the ESU Mace Competition. We are also proud to have the 'EduSpots UK Youth Volunteer of The Year 2020' in our student ranks. This particular Sixth Former's formation of a charity to improve Nigerian children's education also won our inaugural Atherton Award for Enterprise, launched by tech entrepreneur and Benenden Senior Amber Atherton to inspire young women to pursue entrepreneurial endeavours.

Other highlights from the year include an array of drama productions, the introduction of Clay Pigeon Shooting, the student-led whole school Talent Show, the introduction of online pastoral talks for parents from our in-house pastoral experts, two days of personal development and resilience training for the Lower Fifth, and an evening of ACE Talks organised by the students, focusing on The Importance of Perspective.

## Academic

89% of the 2021 leavers gained places at their first choice of university, with the vast majority studying traditional courses at Russell Group universities and some students opting to study at the leading universities in the United States. This year, we were delighted with the 50% A\* grade rate at A level and the 70% Level 8 and 9 rate at GCSE (the equivalent of A\*).

The table below shows the three-year comparison of academic results for these grades:

	2018	2019	2020	2021
A Level entries achieving A*, A or B	86%	80%	94%	97%
A Level entries achieving A* or A	63%	55%	74%	83%
GCSE entries achieving A*, A or B (9-6)	97%	97%	93%	96%
GCSE entries achieving A*/A (or equivalent*)	80%	79%	82%	89%

\*Taking into account the national reforms from the A\*-G grading system to the 9-1 system

The School also uses additional - and often more valuable and informative - methods of measuring performance including the comparison with baseline testing on entry. An indicator of Benenden's ongoing achievement is the value-added achieved year on year at both GCSE and A Level which continues to be very positive.

## Co-Curricular

Benenden continues to provide a high quality co-curricular programme that is an integral part of the School's Complete Education model. The co-curricular programme has grown over the years and provides a vast and varied programme, allowing the girls to use this as a platform to grow and develop.

Co-curricular provision at Benenden is currently in a rebuilding phase following the impact of the pandemic. Educational visits and trips are being planned again and the programme strives to be sector leading with fun, impactful and stimulating activities, ensuring each student has the best opportunity to reach their maximum potential.

The Sports department has moved quickly to re-establish sport after operating with severe restrictions over the last 18 months. The department launched Cricket as a key sport within the School, including the installation of new high performance indoor nets. The students continue to be introduced to a variety of sports, including Lacrosse, Netball, Hockey, Swimming, Tennis, Trampolining, Cricket, Clay Pigeon Shooting, Archery and fitness options. The students played sport within bubbles for most of the year. However, competitive sport is now up and running after being severely affected by the pandemic. We currently have 12 recreational clubs, 31 competitive squads and teams and, once again, have a full and varied fixtures programme planned.

The Music department continues to support our musicians; the concert programme continued, with regular concerts being held both within the School and via virtual platforms. The department managed to maintain a high proportion of paid music extras and rehearsal options, allowing students to receive excellent support and tuition to ensure maximum progress was maintained. We currently provide 398 individual music extras per week, while offering 19 ensembles, choirs, and orchestral sessions.

Drama remains strong within the School; the team maintained a high proportion of extras lesson

throughout the pandemic, making the most of teaching via Teams, both individually and in groups. The department demonstrated great creativity, managing to keep students engaged; this allowed the department to perform a suite of amazing productions. The Fourths and Upper Fourths performed "Smashing the Slipper", four tales originating from Europe, retold for the modern day. These include "Cinderella", "The Girl Who Went to the North Wind", "Jadeite (and the Seven Stone Masons)" and "The Squire's Bride". The Fifth's (Year 10) production of "Great Expectations" was outstanding and the Drama scholars put on an electrifying performance of "Unmanageable Sisters". Sixth Form pupils put on a great performance of "Oedipus the King" and "The Bacchae". The (socially distanced) audience was amazed by the impressive performances given and was full of praise for the extremely talented cast and crew. The department are currently delivering 232 individual and group extra drama lessons each week, a real increase on previous years, and are reinforcing the commitment and strength of Drama within the School.

Model United Nations (MUN) remains popular. Although the majority of MUN conferences have either been cancelled or moved online, Benenden MUNers have continued to meet weekly online and preparations are currently underway for the latest iteration of our own conference, BMUN XIV to be held in December 2021. We currently have over 90 students enrolled in our MUN programme.

The Weekend Programme has been an essential part of school life throughout the pandemic; the team set up areas in front of each house to ensure students shielding or isolating had opportunities to have fun outside. The team delivered activities onsite for the whole school during closed weekends and have maintained a very high standard of events, even with major restrictions. This year, with restrictions easing, the programme is ramping up and we are excited with this year's programme of events. The team are in the process of rebranding the Weekend Programme offer; this will include offering courses and qualifications and expanding activities with which students are able to engage at weekends.

Outdoor Education is once again gathering significant momentum within the School. The first two days of the Summer Term were a little different this year for the Lower Fifths, with a successful programme of activities designed around personal development and resilience being delivered through the medium of outdoor education. This proved very successful, and we are currently considering expanding this programme to other year groups. DofE continues to be popular, with over 50 students enrolled on the programme and more than 1,400 hours of volunteering being recorded.

The co-curricular function continues to deliver an array of clubs and activities, including Engineering Club (building our second microlight aircraft), Archery, Art, Combined Cadet Force (CCF), Debating, Medics Club, Swim Mix, Yoga, Journalism and Ceramics to name but a few. This year, we have over 100 activities per week for students to explore and enjoy.

The co-curricular function will continue to grow and develop and provide the Benenden community with a fun, challenging and impactful programme of activities to support our ethos of a Complete Education.

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## Governing Council's Report

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### Objects and Aims

The principal objects of the Company are to promote and provide for the advancement of the education of school age pupils, and to hold lectures, exhibitions, concerts, public meetings, classes, conferences, and other activities calculated directly or indirectly to advance the cause of education.

### Benenden School's Aims for its Pupils

Benenden aims to give each girl A Complete Education in which she realises her academic potential, grows as an individual and is well prepared for life beyond school. A Complete Education combines the focus on academic achievement, personal development and engendering a firm understanding of the world in which we live.

Above all, we want girls to relish all that life in a boarding school has to offer, to enjoy her learning, develop intellectual curiosity and be ambitious, whilst learning to achieve balance in her life

In all that we do at Benenden, we foster the need to value oneself and others. In so doing, we expect each girl to be a responsible and considerate citizen and we support her to grow into a confident, positive young woman.

By emphasising the importance of spiritual and personal growth, we help her to develop self-knowledge, to become outward looking, courageous and compassionate, so that she will be inspired to make a difference both to our school community and throughout her life for the benefit of others.

We achieve this by providing:

- An inspiring, challenging and relevant curriculum delivering strong academic outcomes and a sense of personal wellbeing.
- Excellent and motivating teaching designed to encourage girls to become independent, enquiring and critical thinkers.
- An extensive co-curricular programme that complements the academic curriculum and is infused with a wide variety of enjoyable cultural, spiritual, social, sporting, creative activities.
- A framework of support which contributes to personal, moral and emotional development which helps guide the girls towards achieving balance within their busy lives.
- The experience of learning to understand other people, working and living together within our boarding community, appreciating diversity and understanding compromise.
- A culture of encouragement, opportunity and challenge designed to develop resourcefulness, reflectiveness, resilience and confidence.
- A wide variety of opportunities for leadership and collaboration.
- Guidance designed to help every girl achieve her own personal goals, equipped with the requisite skills for university and professional life.
- A close partnership with parents so that school and home can work together to help every girl make the most of her time at Benenden.

## Benenden Values

In all that we do at Benenden, we aim to foster:

- **Belief in oneself:** integrity, independence, courage, endeavour, reflection, self-respect and self-confidence;
- **Belief in others:** trust, appreciation, consultation, understanding, generosity of spirit, tolerance and respect;
- **Commitment to learning:** an enthusiasm for and love of learning; and
- **Commitment to the community:** participation, service, responsibility, leadership, initiative, compassion, and commitment to equality.

## Objectives

The Directors confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Company. Ensuring best practice across the board is a priority and the School continues to develop its policies and procedures for monitoring and evaluating this.

Members of Governing Council confirm that they have complied with their duty as directors, to have regard to the matters in section 172(1) of the Companies Act 2006. This duty is to act in good faith, to promote the success of the School whilst having regard to:

- the consequences of any decisions in the long term;
- the interests of the School's employees;
- the need to foster business relationships with suppliers, customers and others;
- the impact of the School's operations on the community and the environment;
- the desirability of maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the charitable company.

The Governing Council has promoted the success of the School by acting in good faith to assist the School to meet its aims and objectives. During the course of the year the Governing Council and the Senior Management Team have been focused on responding to the challenges as a result of the Covid-19 pandemic. The challenges have been operational, financial, and strategic which has necessitated considerable time and effort to respond to the immediate issues and to consider the longer term implications of the pandemic on the School. Whilst the pandemic has had an impact on the operations and financial position of the School and will continue to do so for the foreseeable future, the Governing Council is satisfied that the School remains both operationally and financially in a stable and secure position. Further detail on the impact of Covid-19 can be found in the Head's Review of the Year, the Financial Review and Principal Risks and Uncertainties.

Attracting and developing excellent teachers remains a priority for the School. To support engagement with the profession, our graduate teaching training package, together with an integrated professional development programme for teaching staff to support their progression to middle and senior leadership positions, is well underway. Now with a dedicated member of the Senior Management Team overseeing this, plans are underway to develop this programme with other local schools so that collectively we share our commitment to supporting the development of outstanding teaching and leaders within the profession. Alongside this, we make active use of the Apprenticeship Levy funding to help develop colleagues in a range of support roles. We have a Staff Wellbeing Group, with representatives from a wide range of roles within the school. This is chaired by the First Deputy and gives employees an opportunity to raise issues about any aspect of the school. There is a weekly staff meeting that all employees can attend (currently virtually) or watch via a recording, in which issues can be raised. The Headmistress has a 'surgery' time on Wednesday mornings when any member of staff can drop in to discuss any concerns they may have. The HR

department have an open door policy and staff are encouraged to come and see them about concerns they may have.

Benenden School is committed to securing equality of opportunity through the creation of an environment in which everyone is treated as an individual. By respecting and using diversity we can maximise our impact through meeting individual needs and staying in touch with the changing societies in which we work.

### **Plans for Future Periods**

The Centenary Vision Project (ten-year strategy plan) centres on a range of capital projects, together with fundraising for bursaries. The School remains committed to offering significant bursarial support to enable pupils to attend Benenden on fully funded places, which we have ambitious plans to significantly increase in the future. Phase one of The Centenary Vision identified the following development priorities:

- All-Weather Pitch and Pavilion – completed September 2016
- Provision of eight units of family accommodation for staff – completed September 2016
- Development of the School Hall, Music School and West Wing teaching areas – to be opened early 2022

The development of the area of the site known as The West Wing is the single most ambitious development project that the School has undertaken. This footprint comprises the Hall, Music School and West Wing teaching block. The project is nearing completion and will be transformational for the School as this area represents ‘The Heart’ of Benenden and will be enjoyed daily by every pupil in the School. Phase 1 of this development transformed the old West Wing teaching block into a newly refurbished building with updated classrooms and a new suite of staff working accommodation. This was completed in Easter 2018. The relocation of staff out of their facility in the Study Centre has in turn, created both enhanced study space for the pupils adjacent to the library and more classroom space.

The second phase of the development is the building of a new School Hall and Music School, with the space and facilities to meet the requirements of a larger school. Work commenced in Spring 2019. The original Hall was built in the 1930s for 250 girls and both the Hall and Music School will provide for the outstanding musical talent which continues to strengthen year on year at the School. The new complex will inspire the hundreds of girls who will pass through Benenden in the generations to come and it is our intention to open these wonderful spaces and facilities to young people from the local area so that they too can benefit from the musical opportunities the School can offer.

Development projects such as these are undertaken following extremely careful consideration by the School’s Executive and Governing Council to ensure absolute confidence in the financial commitment that a building project such as this entails. The project is being financed by both the generous donations of the School’s supporters and a long-term financing arrangement.

With Phase 2 of the Centenary Vision in its final stages, the School is preparing to move into Phase 3, which will focus on an ambitious fundraising campaign to significantly increase the level of bursary support we are able to provide to students joining Benenden. We will be launching this new campaign in January 2022. In addition, Phase 3 of the Centenary Vision also involves enhancing the indoor sports facilities, known as SPLASH.

The School is also committed to continuing over the coming years the refurbishment of the Lower School boarding houses, building on the successful refurbishments of Medway and Marshall houses

in the summer of 2021.

Benenden International Limited (BIL), continues to operate as a wholly owned subsidiary of Benenden School (Kent) Limited and retains the remit to facilitate the School accessing the international school market or take on other options for business diversification should suitable opportunities arise. BIL's primary purpose is to provide an additional income stream for the School. On 25 November 2020 BIL signed an agreement with Chow Tai Fook Education Group (CTFEG), a Hong Kong based educational group, to establish five Benenden international schools in China. The first school in the group will open in September 2023. The Directors of BIL are made up of members of the Governing Council, the School Executive, and independent representatives.

### Financial Review

From a financial perspective the aims of the Governing Council include generating sufficient income to ensure the School is in a sound financial position, maintaining and investing in the buildings and grounds of the estate and building the School's bursary provision. On a regular basis, the Finance Committee carefully reviews the financial results of the School, its cashflows on a short term and longer term basis, the level of borrowings and its capital expenditure. The outcome of these reviews is reported to and considered by the Governing Council.

The Covid pandemic has had an impact on the financial results for this year resulting in lower net income for the year than is usual. This is best illustrated by considering the net income for the year excluding Grants and Donations:

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Net income after taxation	2,390	2,075	11,388
Less:			
Grants and donations (excluding Government grants in 2020 and 2021 and Trust transfer of assets in 2019)	(1,452)	(511)	(3,164)
Trust transfer of assets	-	-	(6,043)
Government grant	(536)	(910)	-
	<hr/>	<hr/>	<hr/>
Net income after taxation excluding grants and donations	402	654	2,181
	<hr/>	<hr/>	<hr/>

Income (excluding donations) increased from £20.2m to £21.0m primarily due to a lower fee reduction, due to the nationwide school closure arising from the pandemic situation, compared to the previous year. Recognising that the School is a major local employer, the Governing Council and Senior Management Team carefully considered the employment of support staff when the School closed in January 2021 for two months. As with the previous period of closure it was decided that the School would continue to employ all staff and pay them 100% of their salary. In order to achieve this, the School accessed the Government's furlough scheme to fund 80% of the cost, included above as a Government grant.

Expenditure increased from £19.5m to £20.6m as a result of the School being closed for two months compared to four months the previous year. The surplus achieved of £3.2m, including gifts, grants and donations, investment gains and trading income, enables the School to invest both for the future by way of capital projects and in its bursary programme. Significant borrowings have been undertaken for the development of the new School Hall and Music School and adequate surpluses are required to ensure that debt is serviced.

These financial results incorporate those of LASS Limited and Benenden International Limited. During the year LASS continued as the main trading arm of the School with the principal activity being the operation of the retail shop at the School. The shop stocks school uniform, stationery, sports equipment and pharmacy products for sale to the School community.

	<b>2020</b>	<b>2021</b>
Pupil numbers (average)	537	528
Fee concessions as a percentage of gross fees	6.50%	5.70%
Direct teaching costs as a percentage of gross fees	38.70%	37.20%
Increase in school fees	3.75%	-

### Reserves

At 31 July 2021, the School had unrestricted funds of £48.5m, of which £3.6m were designated, and restricted funds held for bursaries totalling £1.8m. The Governing Council has a long-standing policy to use revenue surpluses and borrowings as appropriate to improve the facilities and the overall educational service provided by the School. It is the intention of the Governing Council that this policy of developing and improving the School be continued and any unrestricted surpluses will be used for this purpose.

The majority of designated funds relate to the Clarke Will fund of £3.5m, the income of which is used to assist in the funding of bursaries.

Governing Council continue to review the current asset position of the School to ensure that it has sufficient working capital to meet its obligations, having regard to the seasonal flow of income. The School anticipates that its on-going activities will allow it to build a modest level of reserves to support an on-going programme of development and improvements and to provide bursaries. The Trustees regard 'free' reserves as being the reserves of the School after deducting fixed assets and any funds held as restricted or designated. On the basis described there is a deficit of free reserves of £10.9m (2020: £7.0m). Similar to many other independent schools, the School has invested heavily in fixed assets which have resulted in this deficit.

### Advance Fees

The School operates an unsecured Fees in Advance (FIA) Scheme for the benefit of parents.

### Fundraising Practices

Fundraising is conducted through the School's Development Office. The principal aims for the year were to secure the final instalments of the successful £5m Heart of Benenden Campaign, to secure funding for a number of new pianos, and to put plans in place for the launch of a significant and ongoing bursary fundraising initiative to increase significantly the charitable funding available for means-tested full bursaries. Alongside this, further progress has been made with Benenden Connects – the School's new online portal – which brings Seniors, Parents, Friends, Staff and Sixth Formers together.

The School's usually extensive programme of events was inevitably hindered by the continuation of Covid; however, the Development Office used the opportunity to develop and hold a number of virtual / online events which proved to be very popular.

The School complies with the Fundraising Regulator's code of practice and there are no matters to report of the School failing to comply with fundraising standards. The School received no complaints about its fundraising activity in the year.

## Energy and carbon statement

The School engaged its utility consultants, Professional Energy Services, to review its greenhouse gas emissions and energy use data to compile a report to meet the SECR reporting requirements. The report was produced using interval meter data, full year billing data, travel expense claims, fuel cards and onsite vehicle fuel data. The table below summarises the energy use in the year relating to electricity, gas combustion and transport. It must be noted that the 2020 and 2021 figures reflect periods of closure of the School site due to the Covid-19 national lockdown which is reflected in reduced electric and gas use and transport use in these periods.

	<b>2020</b>	<b>2021</b>
Electricity use	1,720,734 kWh	2,187,231 kWh
Gas combustion	5,236,359 kWh	4,436,566 kWh
Transport	142,710 kWh	147,923 kWh
Total	7,099,803 kWh	6,771,720 kWh

The greenhouse gas emissions associated with the energy use identified in the table above are as follows:

	<b>2020</b>	<b>2021</b>
Electricity use	401.2 tCO <sub>2</sub> e	464.4 tCO <sub>2</sub> e
Gas combustion	962.8 tCO <sub>2</sub> e	821.6 tCO <sub>2</sub> e
Transport	35.0 tCO <sub>2</sub> e	36.1 tCO <sub>2</sub> e
Total	1,399.0 tCO <sub>2</sub> e	1,313.1 tCO <sub>2</sub> e

Due to expansion works within the grounds the exact square footage is not known and will be changing significantly. It has therefore been decided that the constant index will be pupil numbers. The intensity ratio for Benenden School is 2.49 tCO<sub>2</sub>e (2020: 2.60 tCO<sub>2</sub>e) per student for the reporting year, based on 528 students (2020: 537 students).

The methodologies used in the identification and calculation of the provided information followed the processes described in the GHG Reporting Protocol – Corporate Standard. GHG Conversion Factors for electricity, gas and transport were taken from the UK Government GHG Conversion Factors for Company Reporting 2021. Data on electricity use and gas consumption were acquired from recorded invoice data provided by Professional Energy Services. Data on transport came from mileage data calculated from recorded expenses claims.

In the year to 31 July 2021, the School has been active in gaining insight to its energy usage. Such measures have included the addition and active monitoring of sub meters in the staff accommodation as well as having an Environmental Committee for pupils to raise energy efficiency awareness. These actions have resulted in a greater understanding of where energy is being consumed in the School and a higher awareness of best practice for energy efficiency. The School understands that more efficiencies can be achieved through adoption of technologies that will be reviewed in the coming years, some areas of focus will be onsite generation, storage, and LED lighting initiatives.

It is noted that the supply fuel mix will be taken into the procurement processes for energy with an active view on sourcing fully green electricity through a certified and backed supply chain as well as bio-gas and carbon offsetting initiatives for natural gas supply.

## Investment Policy

Governing Council are empowered within the Memorandum and Articles of Association to invest any monies as authorised by law and for the investment of trust monies in a manner it thinks fit. All

investments have been acquired in accordance with the powers available to the Governing Council. The investment committee advise on the investment of school funds, including advance fee monies.

The investment portfolio is managed on a discretionary basis by Sarasin & Partners who were appointed in September 2019 following a formal tendering exercise. Since inception of the portfolio on 9 September 2019 up to 31 July 2021, the portfolio has achieved a total return of 22.0% versus the benchmark return of +19.6% (net of all costs). The portfolio benchmark is a composite index benchmark which comprises of the following: ICE BofAML Sterling Corporate (7.5%), ICE BofAML UK Gilts All Stocks (7.5%), MSCI AC World ex UK (Local Currency) (GBP) (10%), MSCI AC World ex UK (Net Total Return) (40%), MSCI UK IMI (Net Return) GBP (20%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), UK cash LIBOR 1 Month (10%).

Since 1 July 2021, the UK cash LIBOR benchmark has been changed to the SONIA Interest Rate Benchmark +2%. The UK regulator had announced that LIBOR will soon be phased out, and consequently, it was replaced by the Sterling Overnight Index Average (SONIA) and an additional 2% hurdle.

Governing Council aim for the investment portfolio to provide a sufficient income to fund the current bursary commitments while preserving the real capital value of the portfolio to enable bursary funding for future generations. As a measure of performance, the long-term return target has been set at UK inflation (CPI) +4% over a 5 year rolling basis.

### **Principal Risks and Uncertainties**

The Directors continue to keep the School's activities under review and monitor performance.

#### Evaluation of Risk

The Risk Committee and the School Senior Management Team are heavily involved in assessing both the operational and strategic risks to the School. The School Risk Register is regularly reviewed and kept up to date by the Senior Management Team. Risks are then reviewed by the Risk Committee, a sub-committee of the School's Governing Council. In addition to reviewing the risks to the School from the executive team's perspective, the Risk Committee has a specific remit to examine and assess the possible impact of risks to the School from external sources. The Risk Committee meets three times per year. The minutes of the Risk Committee are presented at the following Governing Council meeting. The Risk Register and the recommendations of the Risk Committee are reviewed at least annually by Governing Council and more frequently as required.

#### Strategic Planning

The School Strategic Plan, that is written by the Senior Management Team, and the School Development Plan that is derived from this, are reviewed to ensure that they are fit for purpose on a regular basis. Major strategic decisions are fully discussed and ratified by Governing Council. This process ensures that all projects are assessed for risk and are not entered into without appropriate due diligence. Both financial and operational reporting is embedded within the working patterns of the School. Key Performance Indicators are used at all levels to aid with the process of identifying risks. Once identified, the Senior Management Team and Governing Council will together make decisions to appropriately mitigate or accept those risks, calling upon professional expertise from external agencies if appropriate.

#### Financial Planning

The Finance Committee, in conjunction with the Director of Finance and Operations, is tasked with the development of financial models to counter each eventuality as circumstances dictate. These models are tested on a regular basis.

### Maintenance of educational quality

Educational excellence is at the heart of the School and the Senior Management Team is responsible for ensuring that this and the 'Complete Education' programme are reflected in the School's strategic development plan. The Senior Management Team closely monitor the delivery of the educational offering in the academic, pastoral and co-curricular areas of the School. The School's success at achieving its educational aims and delivering its ethos is evaluated by both the Independent Schools Inspectorate and Governing Council supported by the Education Committee. Teaching standards are constantly under review within the School with the process being co-ordinated by the Senior Management Team. Pupil performance is regularly monitored with actions being taken to ensure that any issues are addressed. All staff are subject to an appraisal system to ensure that teaching and pastoral care remains at a high standard. Training is available to keep all staff up to date with current practice.

### Ensuring safeguarding of pupils

The Governing Council reviews and approves the School policies relating to safeguarding on a regular, and at least annual, basis via the School Safeguarding and Pastoral Care sub-committee ensuring they are fit for purpose, are compliant and that they reflect School practice. The School Safeguarding and Pastoral Care sub-committee reports to the Governing Council on an annual basis with regular updates being provided when required. All staff are trained in safeguarding upon arrival and throughout their time at the School on an annual basis with regular updates throughout the year.

### Health and Safety

Health and Safety at the School is managed via the Health and Safety Committee. A risk assessment and management process is in place throughout the School with regular reporting via the Estates Committee to Governing Council. The School had an independent external Health and Safety audit in June 2021 and at least once in every three yearly cycle.

### Major Risks

The Directors consider that the major risks to which the School is currently exposed are:

1. **COVID-19.** Failure to continue to manage the ongoing impact of the pandemic continues to be the most significant risk to the School during this reporting period. During the initial stages of the crisis, and in line with the School's Emergency and Disaster Policy, the School formed a Covid Response Group, consisting of members of Governing Council and the School executive, to provide a specific forum for decision making in response to the crisis. This group, though still in place in case of significant strategic changes, has now handed back the day to day planning and response to Covid related issues to the School Senior Management Team.

The School's financial planning strategy has for some years taken a cautious approach to generating a sufficient surplus to establish reserves to mitigate the impact of large scale, unforeseen events. Through careful budgeting and management of the School's operations, together with the use of the government's Furlough Scheme allowing the retention of all staff on full salary throughout the pandemic, the School has been able to absorb the short-term financial effects of the pandemic.

The School has continued its work to mitigate the risks of Covid to the school community, adapting its working practices in all spheres of the School to ensure that the School is a safe environment for all members of the community. Procedures remain in place for dealing with outbreaks of the virus and to protect the School community. Despite the experience the School has gained with dealing with the Covid situation, there remains a high residual risk that the School will be impacted both operationally and financially in the year ahead by the virus.

The School has divided the possible risks to the School due to the longer term impact of Covid as follows:

- a. **High intensity of operations in the Covid environment.** Though the School has returned to a routine that is similar to the pre-pandemic operating model, the global situation continues to have an effect on the intensity of operations within the School. Demands on staff remain high and the School is carefully monitoring wellbeing at all levels. The School has retained a significant number of stand-by staff to ensure that there is sufficient capacity to meet the operational needs of the School. The School monitors staff wellbeing through the School management structure and via the Staff Wellbeing Committee, putting in place procedures to protect and support staff as required.
  - b. **Long term impact on School operational capability.** Operationally, managing the School within the constraints of the pandemic will place a high demand on staff as well as putting an additional burden on the School's finances. Any impact will be felt more keenly as the duration of the pandemic situation increases, particularly should there be another 'spike' in the levels of the virus over the coming year. The combined impact of these factors might lead to a reduction in the capacity of the School to meet its educational aims. Planning to mitigate these effects is of the highest priority for the Senior Management Team.
  - c. **Post COVID-19 economic effects.** The significant volatility in the economic situation both within the UK and worldwide has the potential to affect the number of students who are able to access education at the School particularly from within our international community. The Governing Council and Senior Management Team continue to carefully monitor the number of students entering the School as well as ensuring that there is scope for as broad a range of students to join the School as possible.
2. **Economic and Political Risk.** The School has a robust system for assessing the effects of changes in political and economic factors that may affect the operation of the School in the short, medium and longer term. Specific risk in this category are:
- a. **Changes to the Teachers' Pension Scheme.** The School continues to evaluate the situation with regards to the changes with the Teacher's Pension Scheme. The Governing Council and Senior Management Team continue to work with the teaching staff, via a Pensions Committee, to assess the best possible options for the future.
  - b. **Post-Brexit economic impact.** The economic impact of Brexit has become increasingly clear over the past 12 months. The School retains a specific risk register to address any possible short-term operational impact of the current Brexit related situation, as well as factoring in possible longer-term impacts into its strategic planning.
  - c. **Imposition of business rates and VAT on schools within the Independent Sector.** This continues to be a risk to the School that is monitored by the leadership team.
  - d. **Loss of charitable status of schools in the Independent Sector.** The School continues to work hard to support the independent sector via its engagement with the GSA, HMC, BSA and the ISBA. The School takes its commitment to society seriously and makes a substantial contribution to charitable, partnership and outreach activities via

its partnership with The John Wallis Academy, its work with the Kent Music School and through the School's Benenden Partnership and Community Programme. The School has recently appointed a Director of Partnerships to further develop its activities in this area.

- e. **Geographical financial dependence.** A priority for the School is to ensure that students from all parts of the globe are able to join the School community. Financially, the Governing Council and Senior Management Team work to ensure that the risk for the School, due to the possibility of becoming dependent on one single market, is mitigated as far as possible.
- f. **Changes to the educational regulatory environment in China.** The School has, within the last year, signed with a Hong Kong-based education partner to develop five bi-lingual schools within China. Subsequent to the agreements being made, the Chinese government has imposed substantial changes to the legislation affecting the operation of bi-lingual schools in the region. The majority of the changes had already been anticipated by the School as part of the agreement process; however the School continues to closely monitor the situation, via its international trading subsidiary Benenden International Limited, to ensure any risks to the future operations of the schools are mitigated.

#### **Reference and Administrative Details**

Benenden School (Kent) Ltd is a limited company with charitable status. The Directors of the company, who are the Trustees of the charity, are the members of the Governing Council of Benenden School. The School's directors, advisers and key staff are set out on pages 43 to 44.

#### **Structure, Governance and Management**

The Company was constituted on 13 March 1924. The Memorandum & Articles of Association have been amended over the years, with the latest amendment on 7 December 2018. The Company was granted Charitable Status in 1941.

The Nominations Committee is responsible for the recruitment of Governing Council Members. Any prospective Governing Council Member must meet criteria set out by Governing Council including personal competence, specialist skills and availability. Nominations are discussed, and appointments made at Governing Council meetings. A comprehensive induction for newly appointed Governing Council Members is organised by the Clerk to the Governing Council. Governing Council Members have access to AGBIS sponsored training workshops and other training as required.

The Governing Council Members determine the general policy of the School. Day to day management of the School is delegated to the Headmistress with the Senior Management Team of the School.

The Charity has two wholly-owned non-charitable subsidiaries, Lime Avenue Sales and Services Limited (LASS Ltd) and Benenden International Limited (BIL), whose activities and trading performance are discussed in note 4 to the accounts.

The Benenden School Hong Kong Trust (the HKT) is independent of the School and the Governing Council, and no School shareholders are members of the HKT. Its objectives are to promote and provide for the advancement of education.

#### **Policies Adopted for Setting Remuneration of Key Management Personnel**

The Remuneration Committee reviews the pay and remuneration of all staff including the Senior

Management Team as detailed on page 44. Consideration when setting pay is given to the role and responsibilities, competitor salaries in the region, average salary for comparable positions in the sector, market trends and sector benchmarking which has been supplemented by the employment of external experts to review both Senior Management Team and teacher pay scales.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors (who are also the trustees of the charitable company) are responsible for preparing the Report of the Governing Council and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

So far as each of the Directors is aware at the time the report is approved:

- a. there is no relevant audit information of which the charitable company and group's auditors are unaware; and
- b. the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### **AUDITORS**

A resolution proposing the re-appointment of Haysmacintyre as auditors will be submitted to the Annual General Meeting.

Report of the Governing Council, incorporating a Strategic Report, approved by the members of Governing Council on 13 January 2022 and signed on its behalf by



.....  
Director  
Anna Birkett

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# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BENENDEN SCHOOL (KENT) LIMITED

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## Opinion

We have audited the financial statements of Benenden School (Kent) Limited for the year ended 31 July 2021 which comprise Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement 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 group's and of the parent charitable company's affairs as at 31 July 2021 and of the group's and parent charitable company's net movement in funds, including the 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 group 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 directors' 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 group'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 directors with respect to going concern are described in the relevant sections of this report.

## Other information

The directors are responsible for the other information. The other information comprises the information included in the Governing Council's Report, the Chairman's Introduction and the Head's 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.

In connection with our audit of the financial statements, our responsibility is to read the other

information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Governing Council's Report (which includes the strategic report and 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 strategic report and the directors' report included within the Governing Council's Report have 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governing Council's Report (which incorporates the strategic report and the directors' 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 by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on page 19, the directors 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 directors 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 directors are responsible for assessing the group's and the parent 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 directors either intend to liquidate the group or the parent 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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the independent school regulations, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Companies Act 2006 and consider other factors such as payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management and review of Governing Council's meeting minutes and papers, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted at the year end; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

### **Use of our report**

This report is made solely to the 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Tracey Young (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditor  
10 Queen Street Place  
London  
EC4R 1AG

Date: 13.1.22

**BENENDEN SCHOOL (KENT) LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 JULY 2021**

		Unrestricted Funds			Total	Total
	Notes	General Funds	Designated Funds	Restricted Funds	2021	2020
		£ '000	£ '000	£ '000	£ '000	£ '000
<b>INCOME FROM:</b>						
<b>Charitable activities</b>						
School fees	2	18,955	-	-	18,955	18,464
Ancillary trading income	3	1,285	-	-	1,285	1,516
<b>Other trading activities</b>						
Trading company	4	543	-	-	543	174
<b>Investment income</b>	5	170	29	12	211	40
<b>Voluntary sources</b>						
Grants and donations	6	536	-	1,452	1,988	1,421
<b>Total Income</b>		<b>21,489</b>	<b>29</b>	<b>1,464</b>	<b>22,982</b>	<b>21,615</b>
<b>EXPENDITURE ON:</b>						
<b>Raising funds</b>						
Trading costs	4	280	-	-	280	160
Fundraising costs		257	-	-	257	262
Financing costs	8	244	-	-	244	362
Investment management		-	27	11	38	8
		781	27	11	819	792
<b>Charitable activities</b>						
Educational activities and grant making		19,681	-	92	19,773	18,733
<b>Total Expenditure</b>	7	<b>20,462</b>	<b>27</b>	<b>103</b>	<b>20,592</b>	<b>19,525</b>
<b>NET INCOME BEFORE TAX</b>		<b>1,027</b>	<b>2</b>	<b>1,361</b>	<b>2,390</b>	<b>2,090</b>
Taxation payable		-	-	-	-	15
<b>NET INCOME AFTER TAXATION BEFORE INVESTMENTS GAINS</b>		<b>1,027</b>	<b>2</b>	<b>1,361</b>	<b>2,390</b>	<b>2,075</b>
Investment gains	11	-	616	221	837	124
<b>NET INCOME AFTER TAXATION AND INVESTMENTS GAINS</b>		<b>1,027</b>	<b>618</b>	<b>1,582</b>	<b>3,227</b>	<b>2,199</b>
Transfers	18, 19	697	-	(697)	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>1,724</b>	<b>618</b>	<b>885</b>	<b>3,227</b>	<b>2,199</b>
Balance brought forward at 1 August 2020		43,154	3,008	4,113	50,275	48,076
Balance carried forward at 31 July 2021	17,18,19	44,878	3,626	4,998	53,502	50,275

The notes on pages 27 to 44 form part of these accounts. All amounts derive from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities. Comparative figures for unrestricted and restricted movements as shown in note 24.

	Notes	GROUP		CHARITY	
		2021 £ '000	2020 £ '000	2021 £ '000	2020 £ '000
<b>FIXED ASSETS</b>					
Tangible assets	10	55,810	50,184	55,724	50,097
Investments	11	6,790	5,951	6,790	5,951
Investment in subsidiaries	11	-	-	-	-
		<u>62,600</u>	<u>56,135</u>	<u>62,514</u>	<u>56,048</u>
<b>CURRENT ASSETS</b>					
Stock		203	191	41	38
Debtors: amounts falling due within one year	12	1,203	864	1,196	816
Cash at bank and in hand		6,419	5,580	6,178	5,488
		<u>7,825</u>	<u>6,635</u>	<u>7,415</u>	<u>6,342</u>
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(5,499)</u>	<u>(5,230)</u>	<u>(5,318)</u>	<u>(4,922)</u>
<b>NET CURRENT ASSETS</b>		<u>2,326</u>	<u>1,405</u>	<u>2,097</u>	<u>1,420</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>64,926</u>	<u>57,540</u>	<u>64,611</u>	<u>57,468</u>
<b>CREDITORS: amounts falling due after more than one year</b>	14	<u>(11,424)</u>	<u>(7,265)</u>	<u>(11,424)</u>	<u>(7,265)</u>
<b>NET ASSETS</b>		<u>53,502</u>	<u>50,275</u>	<u>53,187</u>	<u>50,203</u>
<b>FUNDS AND CAPITAL</b>					
Unrestricted Funds:	19				
- General		44,878	43,154	44,563	43,082
- Designated		3,626	3,008	3,626	3,008
Restricted Income Funds	18	4,998	4,113	4,998	4,113
Called up share capital	20	-	-	-	-
<b>TOTAL FUNDS</b>		<u>53,502</u>	<u>50,275</u>	<u>53,187</u>	<u>50,203</u>

The notes on pages 27 to 44 form part of these financial statements.

In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Benenden School (Kent) Ltd. The Charity income for the year was £22.4m (2020: £21.4m) with a surplus of £2.9m (2020: £2.1m).

The financial statements were approved and authorised for issue by the Governing Council on 13 January 2022 and signed on its behalf by:



.....  
 Governing Council Member  
 Anna Birkett



.....  
 Governing Council Member  
 Anne McNab

**BENENDEN SCHOOL (KENT) LIMITED  
CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JULY 2021**

	2021		2020	
	£ '000	£ '000	£ '000	£ '000
<b>Net cash flow from operations</b>				
Net movement in funds	3,227		2,199	
Depreciation charges (Note 10)	1,304		1,356	
Investment income	(211)		(40)	
Financing costs	244		362	
Impairment provision against fixed assets	527		-	
Investment managers charges	38		8	
Investments gains	(863)		(124)	
Decrease/(increase) in debtors	(339)		688	
Increase in creditors (excluding fees in advance)	-		1,889	
(Increase) in stock	(12)		(12)	
Increase/(decrease) in advanced fees	139		(657)	
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net cash provided from operations</b>		4,054		5,669
<b>Net cash flow from investing activities</b>				
Investment income	211		40	
Investment managers fees	(39)		(8)	
Proceeds from sale of investments	30		3,377	
Purchase of investments	(6)		(3,721)	
Payments for tangible fixed assets	(7,457)		(7,086)	
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net cash used in investing activities</b>		(7,261)		(7,398)
<b>Cash flows from Financing</b>				
Cash inflows from new borrowing	4,300		2,955	
Financing costs	(244)		(362)	
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net cash provided by financing activities</b>		4,056		2,593
<b>Increase in cash and cash equivalents</b>		<b>849</b>		<b>864</b>
<b>Cash and cash equivalents at beginning of the period</b>		5,433		4,569
		<u>          </u>		<u>          </u>
<b>Cash and cash equivalents at the end of the period</b>		6,282		5,433
		<u>          </u>		<u>          </u>

**ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2021	2020
	£ '000	£ '000
Cash in hand and at bank	6,099	5,239
Cash on deposit	320	341
Bank overdraft (subsidiary)	(137)	(147)
	<u>          </u>	<u>          </u>
	6,282	5,433
	<u>          </u>	<u>          </u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

**ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1 August</b>		<b>Non-cash</b>	<b>At 31 July</b>
	<b>2020</b>	<b>Cash flows</b>	<b>movements</b>	<b>2021</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Cash	5,239	860	-	6,099
Deposits	341	(21)	-	320
Bank overdraft (subsidiary)	(147)	10	-	(137)
	<u>5,433</u>	<u>849</u>	<u>-</u>	<u>6,282</u>
Loan: Less than one year	-	-	-	(73)
Loan: Greater than one year	(2,955)	(4,300)	-	(7,182)
	<u>2,478</u>	<u>(3,451)</u>	<u>-</u>	<u>(973)</u>

## **1. ACCOUNTING POLICIES**

### **Basis of preparation**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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) - Second Edition.

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

Having reviewed the funding facilities available and the impact of COVID-19 to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governing Council have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future, particularly whilst there remains ongoing uncertainty as a result of COVID-19.

The Governing Council consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements

These financial statements consolidate the results of the School and its wholly-owned subsidiaries; Lime Avenue Sales & Services Ltd (LASS Ltd) and Benenden International Ltd, on a line by line basis.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 13 March 1924 (company number: 00196353) and registered as a charity in 1941 (charity number: 307854).

### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, Directors are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

#### **1.1 Fees and similar earned income**

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

#### **1.2 Investment income**

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

**1. ACCOUNTING POLICIES (continued)**

**1.3 Donations, legacies, grants and other voluntary income**

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

Government grant income represents the total amount claimed from HMRC under the CJRS. The income is accounted for in the period in which the associated salary payments are made to furloughed staff.

**1.4 Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the Statement of Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the School and its subsidiaries are excluded from trading income and expenditure.

**1.5 Taxation**

Benenden School (Kent) is a registered charity and therefore, is not liable to income tax of corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. Income generated outside these charitable activities are liable to tax.

**1.6 Tangible fixed assets**

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £1,000 together with vehicles, furniture, machinery, ICT infrastructure and other equipment costing more than £300 are capitalised and carried in the balance sheet at historical cost. ICT equipment costs less than £300 are written off as incurred.

Other expenditure on equipment incurred in the normal day-to-day running of the School and its subsidiary is charged to the Statement of Financial Activities as incurred.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal annual instalments over their expected useful economic lives as follows:

Freehold Property	- 2% on cost
Furniture and Equipment:	
- Furniture, Equipment and IT	- 33% on cost
- Motor Vehicles	- 33% on cost

No depreciation is provided on freehold land.

During the year a valuation was obtained on the village shop, a freehold property held by the School. The property was found to be valued significantly below the current net book value and as such an impairment provision of £527,000 has been made against freehold property within fixed assets.

**1.7 Investments**

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets. Investments in subsidiaries are valued at cost less provision for impairment.

**1. ACCOUNTING POLICIES (continued)**

**1.8 Stock**

Stock represents goods for resale and is valued at the lower of cost and net realisable value.

**1.9 Fund accounting**

The charitable trust funds of the School are accounted for as unrestricted or restricted income in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

**Unrestricted** income belongs to the School's corporate reserves, spendable at the discretion of the Governing Council either to further the School's Objects or to benefit the School itself. Where the Governing Council decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Advance fee funds represent the excess assets over liabilities in the old Fees Safeguard Plan which will be used for bursaries.

The Clarke Will fund has been set aside primarily for the funding of bursaries.

**Restricted** funds represent amounts donated to the School for specific purposes such as funding building developments, scholarships, seniors' bursaries and prizes.

**1.10 Pension costs**

Retirement benefits to employees of the School are provided through two pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

(a) The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

(b) The TPT Retirement Solutions (formerly The Pensions Trust) Growth Plan Fund - The plan is a multi-employer scheme, partly money purchase and partly with defined benefits. It is not possible to identify the School's share of the underlying assets and liabilities and therefore as required by FRS102, the School accounts for the scheme as if it were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of the deficit contributions. Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability.

**1.11 Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**1.12 Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**1.13 Hedging arrangements**

The School applies hedge accounting for transactions entered into to manage the cash flow exposures of borrowings.

Changes in the fair values of derivatives designated as cash flow hedges, and which are effective, are recognised directly in other recognised gains and losses in the Statement of Financial Activities statement. Changes in fair values which are ineffective are recognised in financing costs within expenditure in the Statement of Financial Activities statement – in line with the hedge accounting treatment above.

Included within these financial statements is the fair value of an interest rate swap contract. The fair value of this interest rate swap is provided by the counterparty. However, the value of the swap is estimated based on the bank's projection of future LIBOR rates and is therefore subject to the interest rate market. It is noted that LIBOR will cease to exist on 31 December 2021 and will be replaced by SONIA (Sterling Over Night Index Average), a less volatile risk free rate.

<b>2. SCHOOL FEES</b>	<b>2021</b>	<b>2020</b>
	<b>£ '000</b>	<b>£ '000</b>
Fees receivable comprises		
Current fees	20,008	19,560
Less: Allowances, Scholarships and Bursaries	(1,147)	(1,272)
	<u>18,861</u>	<u>18,288</u>
Add: Amount from The Benenden School Hong Kong Trust	2	2
Bursaries and other awards paid for by restricted funds	92	174
	<u>18,955</u>	<u>18,464</u>

Scholarships, bursaries and other awards were paid to 114 pupils (2020: 123). Within this, means tested bursaries totalling £878,000 were paid to 33 pupils (2020: £943,000 to 36 pupils).

<b>3. ANCILLIARY TRADING INCOME</b>	<b>2021</b>	<b>2020</b>
	<b>£ '000</b>	<b>£ '000</b>
Fee income for extra subjects	865	980
Entrance and registration fees	71	69
Courses and sub-lettings	113	253
Other income	236	214
	<u>1,285</u>	<u>1,516</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
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**FOR THE YEAR ENDED 31 JULY 2021 (continued)**

**4. INCOME FROM SUBSIDIARIES TRADING ACTIVITIES**

The Charity owns the whole of the share capital of two trading subsidiaries, Lime Avenue Sales & Services Ltd (LASS Ltd), a company registered in the United Kingdom with number 1794097 and Benenden International Ltd (BIL), a company registered in the United Kingdom with number 12166808.

Lime Avenue Sales & Services Ltd continued as the main trading arm of the School and operated the School retail shop, supplying staff, pupils, visitors and the School with a range of products on a continuing basis.

Benenden International Ltd was set up to explore the options for business diversification and access the international market. On 25 November 2020 BIL signed an agreement with Chow Tai Fook Education Group (CTFEG), a Hong Kong based educational group, to establish five Benenden international schools in China. The first school in the group will open in September 2023.

The trading results for the year, as extracted from the audited accounts, are summarised below:

	LASS		BIL	
	2021 £ '000	2020 £ '000	2021 £ '000	2020 £ '000
Turnover	264	201	309	-
Cost of Sales	(151)	(111)	-	-
Gross Profit	113	90	309	-
Administrative Expenses	(89)	(76)	(70)	(1)
Operating profit	24	14	239	(1)
Interest payable	(5)	(2)	-	-
Net profit	19	12	239	(1)
Corporation Tax	-	-	-	-
Profit after Tax	19	12	239	(1)
Retained profit brought forward	72	100	(1)	-
Profit after Tax	19	12	239	(1)
Gift aid under covenant	(14)	(40)	-	-
Retained profit carried forward	77	72	238	(1)

Turnover in LASS includes £30,000 (2020: £27,000) supplied to the School, which is an intercompany transfer excluded on consolidation and does not show in the Statement of Financial Activities. At 31 July 2021 there was a £20,000 balance owed to the School from LASS Ltd (2020: £nil) and a £nil balance owed from the School to BIL.

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021 (continued)**

The balance sheets for the year, as extracted from the audited accounts, are summarised below:

	<b>LASS</b>		<b>BIL</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Fixed assets	86	87	-	-
Current assets	170	156	240	138
Less current liabilities	(179)	(171)	(2)	(139)
<b>Net assets</b>	<u>77</u>	<u>72</u>	<u>238</u>	<u>(1)</u>
	<u><u>77</u></u>	<u><u>72</u></u>	<u><u>238</u></u>	<u><u>(1)</u></u>
Called up share capital	-	-	-	-
Profit and loss account	77	72	238	(1)
	<u>77</u>	<u>72</u>	<u>238</u>	<u>(1)</u>
	<u><u>77</u></u>	<u><u>72</u></u>	<u><u>238</u></u>	<u><u>(1)</u></u>

<b>5. INVESTMENT INCOME</b>	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Equities	-	29	12	41
Change in Fair Value of Interest Rate Swap	170	-	-	170
	<u>170</u>	<u>29</u>	<u>12</u>	<u>211</u>
	<u><u>170</u></u>	<u><u>29</u></u>	<u><u>12</u></u>	<u><u>211</u></u>

**COMPARATIVE INVESTMENT INCOME – 2020**

	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Equities	8	18	7	33
Fixed interest	5	2	-	7
	<u>13</u>	<u>20</u>	<u>7</u>	<u>40</u>
	<u><u>13</u></u>	<u><u>20</u></u>	<u><u>7</u></u>	<u><u>40</u></u>

**6. GRANTS AND DONATIONS**

	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Government Grants	536	-	-	536
Other	-	-	1,452	1,452
	<u>536</u>	<u>-</u>	<u>1,452</u>	<u>1,988</u>
	<u><u>536</u></u>	<u><u>-</u></u>	<u><u>1,452</u></u>	<u><u>1,988</u></u>

**COMPARATIVE GRANTS AND DONATIONS – 2020**

	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Government Grants	910	-	-	910
<b>Other</b>	120	-	391	511
	<u>1,030</u>	<u>-</u>	<u>391</u>	<u>1,421</u>
	<u><u>1,030</u></u>	<u><u>-</u></u>	<u><u>391</u></u>	<u><u>1,421</u></u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021 (continued)**

**7. (a) ANALYSIS OF EXPENDITURE**

	<b>Staff Costs</b>	<b>Other</b>	<b>Depreciation and Impairment</b>	<b>Total</b>
<b>EXPENDITURE</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
<b>Costs of raising funds:</b>				
Trading costs	73	203	4	280
Fundraising costs	206	51	-	257
Financing costs	-	244	-	244
Investment managers fees	-	38	-	38
<b>Total costs of raising funds</b>	<b>279</b>	<b>536</b>	<b>4</b>	<b>819</b>
<b>Charitable activities</b>				
Education:				
Teaching costs	7,236	212	-	7,448
Welfare costs	3,294	754	-	4,048
Premises costs	380	1,204	1,061	2,645
Support & governance costs	2,498	2,270	239	5,007
Grants, awards and prizes	-	98	-	98
Impairment provision	-	-	527	527
<b>Total charitable expenditure</b>	<b>13,408</b>	<b>4,538</b>	<b>1,827</b>	<b>19,773</b>
<b>Total expenditure</b>	<b>13,687</b>	<b>5,074</b>	<b>1,831</b>	<b>20,592</b>

**7 (a) COMPARATIVE ANALYSIS OF EXPENDITURE – 2020**

	<b>Staff Costs</b>	<b>Other</b>	<b>Depreciation</b>	<b>Total</b>
<b>EXPENDITURE</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
<b>Costs of raising funds:</b>				
Trading costs	62	95	3	160
Fundraising costs	192	70	-	262
Financing costs	288	74	-	362
Investment managers fees	-	8	-	8
<b>Total costs of raising funds</b>	<b>542</b>	<b>247</b>	<b>3</b>	<b>792</b>
<b>Charitable activities</b>				
Education:				
Teaching costs	7,268	295	-	7,563
Welfare costs	3,016	590	-	3,606
Premises costs	356	1,137	1,061	2,554
Support & governance costs	2,407	2,137	292	4,836
Grants, awards and prizes	-	174	-	174
<b>Total charitable expenditure</b>	<b>13,047</b>	<b>4,333</b>	<b>1,353</b>	<b>18,733</b>
<b>Total expenditure</b>	<b>13,589</b>	<b>4,580</b>	<b>1,356</b>	<b>19,525</b>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021 (continued)**

<b>7 (b) GOVERNANCE INCLUDED IN SUPPORT COSTS</b>	<b>2021</b>	<b>2020</b>
	<b>£ '000</b>	<b>£ '000</b>
Remuneration paid to auditor for audit services	33	31
Remuneration paid to auditor for other services	4	4
Governors reimbursement of expenses - travel	-	3
Other governance costs	110	104
	<u>146</u>	<u>142</u>
	<u><u>146</u></u>	<u><u>142</u></u>
Number of Governing Council members reimbursed for expenses in the year	-	6
<b>7. (c) MOVEMENT IN FUNDS</b>	<b>2021</b>	<b>2020</b>
	<b>£ '000</b>	<b>£ '000</b>
Group net movement in funds is stated after charging:		
Depreciation and impairment	1,827	1,356
Operating lease rentals		
- land and buildings	-	-
- other	79	76
	<u>79</u>	<u>76</u>
	<u><u>79</u></u>	<u><u>76</u></u>
<b>7. (d) Grants, awards and prizes</b>	<b>2021</b>	<b>2020</b>
	<b>£ '000</b>	<b>£ '000</b>
<b>From restricted funds</b>		
Bursaries and other awards	92	174
	<u>92</u>	<u>174</u>
	<u><u>92</u></u>	<u><u>174</u></u>
<b>8. FINANCING COSTS</b>	<b>2021</b>	<b>2020</b>
	<b>£ '000</b>	<b>£ '000</b>
Fees in advance debt financing	8	7
Loan interest and bank charges	236	67
Change in fair value of Interest rate swap	-	288
	<u>244</u>	<u>362</u>
	<u><u>244</u></u>	<u><u>362</u></u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021 (continued)**

**9. STAFF COSTS**

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
The average number employed by the company within each category of persons was:		
Teaching (including peripatetic teachers)	146	147
Welfare	35	35
Premises	13	13
Support	196	199
	<u>390</u>	<u>394</u>
	<u><u>£ '000</u></u>	<u><u>£ '000</u></u>
The costs incurred in respect of these employees were:		
Wages and salaries	10,849	10,550
Social Security costs	1,107	1,085
Pension costs	1,696	1,667
Termination payment	35	30
	<u>13,687</u>	<u>13,332</u>
	<u><u>1,093</u></u>	<u><u>1,218</u></u>
	<b>No.</b>	<b>No.</b>
The number of higher paid employees was:		
Taxable emoluments band:		
£60,000 - £70,000	12	18
£70,000 - £80,000	5	4
£80,000 - £90,000	4	2
£90,000 - £100,000	1	2
£100,000 - £110,000	1	-
£130,000 - £140,000	1	-
£200,000 - £210,000	-	1
£210,000 - £220,000	1	-
	<u><u>19</u></u>	<u><u>22</u></u>
	<b>No.</b>	<b>No.</b>
The number with retirement benefits accruing was:		
In defined contributions schemes	5	5
In defined benefit schemes	19	22
	<u><u>£ '000</u></u>	<u><u>£ '000</u></u>
In defined contributions schemes	48	40
In defined benefit schemes	343	364
	<u><u>391</u></u>	<u><u>404</u></u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021 (continued)**

**10. TANGIBLE FIXED ASSETS**

	<b>Freehold Property £'000</b>	<b>Furniture and equipment £'000</b>	<b>Assets Under construction £'000</b>	<b>Charity Total £'000</b>	<b>Subsidiary Property and equipment £'000</b>	<b>Group Total £'000</b>
<b>COST</b>						
At 1 August 2020	53,065	1,084	10,178	64,327	139	64,466
Additions	30	194	7,230	7,454	3	7,457
Disposals	-	(142)	-	(142)	-	(142)
Reclassifications	(22)	-	22	-	-	-
At 31 July 2021	<u>53,073</u>	<u>1,136</u>	<u>17,430</u>	<u>71,639</u>	<u>142</u>	<u>71,781</u>
<b>DEPRECIATION</b>						
At 1 August 2020	13,429	801	-	14,230	52	14,282
Charge for the year	1,062	238	-	1,300	4	1,304
Impairment provision	527	-	-	527	-	527
On Disposals	-	(142)	-	(142)	-	(142)
At 31 July 2021	<u>15,018</u>	<u>897</u>	<u>-</u>	<u>15,915</u>	<u>56</u>	<u>15,971</u>
<b>NET BOOK VALUE</b>						
At 31 July 2021	<u>38,055</u>	<u>239</u>	<u>17,430</u>	<u>55,724</u>	<u>86</u>	<u>55,810</u>
At 31 July 2020	<u>39,636</u>	<u>283</u>	<u>10,178</u>	<u>50,097</u>	<u>87</u>	<u>50,184</u>

**11. INVESTMENTS**

	<b>2021 £ '000</b>	<b>2020 £ '000</b>
<b>Group and company</b>		
At Market Value		
At 1 August 2020	5,951	5,483
Additions	6	3,721
Disposals	(30)	(3,377)
Revaluations to closing or sale at Market Value	863	124
Balance at 31 July 2021	<u>6,790</u>	<u>5,951</u>
Listed	<u>6,359</u>	<u>5,578</u>
Historical cost	<u>5,947</u>	<u>5,779</u>

Included within the charity balance sheet is £2 investment in the subsidiary companies (see note 4).

All the above investments (other than the subsidiary company) are quoted on a recognised UK Stock Exchange or are valued by reference to investments listed on a recognised UK Stock Exchange.

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021 (continued)**

12. DEBTORS	Group		Charity	
	2021 £ '000	2020 £ '000	2021 £ '000	2020 £ '000
Fee debtors less refundable deposits	344	153	344	153
Other debtors	142	89	137	41
Prepayments and accrued income	697	622	695	622
Amounts owed to trading subsidiaries	20	-	20	-
	<u>1,203</u>	<u>864</u>	<u>1,196</u>	<u>816</u>
The bad debt expense for the period was	<u>5</u>	<u>-</u>	<u>5</u>	<u>-</u>
13. CREDITORS: amounts falling due within one year	Group		Charity	
	2021 £ '000	2020 £ '000	2021 £ '000	2020 £ '000
Loans & overdrafts	210	148	73	-
Trade creditors	1,572	1,600	1,564	1,588
Fees received in respect of Autumn Term	588	727	588	727
Social Security and Other Taxes	318	227	312	224
Pupil deposits	520	486	520	486
Pensions Trust creditor	115	115	115	115
Other creditors	85	265	65	121
Accruals and deferred income	1,530	1,093	1,520	1,092
Advance fees (see note 16)	561	569	561	569
	<u>5,499</u>	<u>5,230</u>	<u>5,318</u>	<u>4,922</u>
14. CREDITORS: amounts falling due after more than one year	Group		Charity	
	2021 £ '000	2020 £ '000	2021 £ '000	2020 £ '000
Pupils' deposits	3,437	3,367	3,437	3,367
Advance fees (see note 16)	687	540	687	540
Interest Rate Swap liability	118	288	118	288
Bank loan (see note 15)	7,182	2,955	7,182	2,955
Pensions Trust creditor	-	115	-	115
	<u>11,424</u>	<u>7,265</u>	<u>11,424</u>	<u>7,265</u>
15. BANK LOAN				
On 28 March 2019 the School entered into a Facility Agreement with HSBC relating to a Revolving Loan Facility of up to £15m converting to a Term Loan Facility. A hedging instrument was put in place in the form of an Interest Rate Swap. The loan interest is a floating rate but is fixed at 2.37% until 30 April 2029 through the swap on 75% of the expected loan drawdown.				
			2021 £ '000	2020 £ '000
After 5 years			6,021	2,600
Within 2 to 5 years			871	355
Within 1 to 2 years			290	-
			<u>7,182</u>	<u>2,955</u>
Within 1 year			73	-
			<u>7,255</u>	<u>2,955</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021 (continued)**

**16. ADVANCE FEES**

Under the School's fees in advance schemes, contributors may enter into a contract to pay to the School up to the equivalent of seven years' tuition fees in advance. The liability is valued at the balance sheet date, but has been allocated assuming that pupils will remain in the School for the normal duration:

	<b>2021</b>	<b>2020</b>
	<b>£ '000</b>	<b>£ '000</b>
After 5 years	-	-
Within 2 to 5 years	309	170
Within 1 to 2 years	378	370
	<u>687</u>	<u>540</u>
Within 1 year	561	569
	<u>1,248</u>	<u>1,109</u>

The movements during the year on the accrued liability under the contracts were:

Balance at 1 August 2020	1,109
New contracts	823
	<u>1,932</u>
Amounts utilised in payment of fees to the School:	684
	<u>(684)</u>
Capital repaid	-
	<u>1,248</u>

**17. ALLOCATION OF THE GROUP'S NET ASSETS EXCLUDING SHARE CAPITAL**

	<b>Fixed Assets</b>	<b>Investments</b>	<b>Net current Assets/ (Liabilities)</b>	<b>Long term Liabilities</b>	<b>Fund Balances</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Unrestricted funds					
- Designated (Fees Safeguard Plan)	-	-	151	-	151
- Designated (Clarke Will)	-	3,475	-	-	3,475
- General	55,724	1,390	(1,127)	(11,424)	44,563
Restricted funds	-	1,925	3,073	-	4,998
	<u>55,724</u>	<u>6,790</u>	<u>2,097</u>	<u>(11,424)</u>	<u>53,187</u>
<b>Charity funds</b>	<b>55,724</b>	<b>6,790</b>	<b>2,097</b>	<b>(11,424)</b>	<b>53,187</b>
Subsidiary's reserves	86	-	229	-	315
	<u>55,810</u>	<u>6,790</u>	<u>2,326</u>	<u>(11,424)</u>	<u>53,502</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021 (continued)**

**17. ALLOCATION OF THE GROUP'S NET ASSETS  
EXCLUDING SHARE CAPITAL – 2020**

	<b>Fixed Assets £ '000</b>	<b>Investments £ '000</b>	<b>Net current Assets/ (Liabilities) £ '000</b>	<b>Long term Liabilities £ '000</b>	<b>Fund Balances £ '000</b>
Unrestricted funds					
- Designated (Fees Safeguard Plan)	-	-	195	(44)	151
- Designated (Clarke Will)	-	2,857	-	-	2,857
- General	50,097	1,390	(1,184)	(7,221)	43,082
Restricted funds	-	1,704	2,409	-	4,113
<b>Charity funds</b>	<b>50,097</b>	<b>5,951</b>	<b>1,420</b>	<b>(7,265)</b>	<b>50,203</b>
Subsidiary's reserves	87	-	(15)	-	72
<b>Group funds</b>	<b>50,184</b>	<b>5,951</b>	<b>1,405</b>	<b>(7,265)</b>	<b>50,275</b>

**DESIGNATED FUNDS**

Designated funds comprise unrestricted funds that have been set aside by the Governing Council and consist of the retained surplus in the Fees Safeguard Plan and the Clarke Will Fund. The Fees Safeguard Plan fund represents the current surplus of assets of the Fees Safeguard Plan over its liabilities, whereas the Clarke Will fund has been set aside for the funding of bursaries.

**RESTRICTED FUNDS**

Restricted funds consist of those detailed in Note 19 and are held for the purpose of providing bursaries, scholarships and building work.

**18. RESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	<b>Balance at 1 August 2020 £ '000</b>	<b>Income £ '000</b>	<b>Investment Income £ '000</b>	<b>Expenditure £ '000</b>	<b>Investment Gains/(Losses) and Transfers £ '000</b>	<b>Balance at 31 July 2021 £ '000</b>
Restricted Funds:						
Restricted Income funds	246	547	2	(1)	31	825
Seniors Bursary Fund	607	36	4	(19)	53	681
Trust Scholarships	749	-	5	(5)	113	862
Sacha & Susannah Stephens' Bursary	73	-	1	-	11	85
Founders Memorial Scholarship Fund	29	-	-	-	5	34
Founders Memorial Event Fund	21	-	-	-	2	23
Hunt Memorial Concert Fund	34	-	-	-	6	40
Trust Award	82	21	-	(39)	-	64
Heart of Benenden	2,108	803	-	-	(697)	2,214
Founders Scholarship	164	45	-	(39)	-	170
	<b>4,113</b>	<b>1,452</b>	<b>12</b>	<b>(103)</b>	<b>(476)</b>	<b>4,998</b>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021 (continued)**

**2020 COMPARATIVE RESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 August 2019 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Investment Gains/(Losses) and Transfers £ '000	Balance at 31 July 2020 £ '000
Restricted Funds:						
Restricted Income funds	175	6	2	(1)	4	246
Seniors Bursary Fund	606	2	-	(14)	13	607
Trust Scholarships	730	-	5	(2)	16	749
Sacha & Susannah Stephens' Bursary	71	-	-	-	2	73
Founders Memorial Scholarship Fund	28	-	-	-	1	29
Founders Memorial Event Fund	20	-	-	-	1	21
Hunt Memorial Concert Fund	34	-	-	-	-	34
Trust Award	109	13	-	(40)	-	82
Heart of Benenden Founders Scholarship	2,747	298	-	-	(937)	2,108
	271	12	-	(119)	-	164
	<u>4,791</u>	<u>391</u>	<u>7</u>	<u>(176)</u>	<u>(900)</u>	<u>4,113</u>

The restricted funds held in the Seniors Bursary Fund are held by the School as Trustee.

**19. UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 August 2020 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Investment Gains/(Losses) And Transfers £ '000	Balance at 31 July 2021 £ '000
Designated funds:						
Advance fee payments	151	-	-	-	-	151
Clarke Will	2,857	-	29	(27)	616	3,475
General fund Reserves	43,083	20,776	170	(20,177)	711	44,563
	<u>46,090</u>	<u>20,776</u>	<u>199</u>	<u>(20,204)</u>	<u>1,327</u>	<u>48,189</u>
Charity Non-charitable trading funds	71	543	-	(285)	(14)	315
Group	<u>46,162</u>	<u>21,319</u>	<u>199</u>	<u>(20,489)</u>	<u>1,313</u>	<u>48,504</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021 (continued)**

**2020 COMPARATIVE UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 August 2019 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Investment Gains/(Losses) And Transfers £ '000	Balance at 31 July 2020 £ '000
Designated funds:						
Advance fee payments	149	-	3	(1)	-	151
Clarke Will	2,783	-	17	(4)	61	2,857
General fund Reserves	40,253	21,010	13	(19,197)	1,003	43,082
	<u>43,185</u>	<u>21,010</u>	<u>33</u>	<u>(19,202)</u>	<u>1,064</u>	<u>46,090</u>
Charity Non-charitable trading funds	100	174	-	(162)	(40)	72
Group	<u>43,285</u>	<u>21,184</u>	<u>33</u>	<u>(19,364)</u>	<u>1,024</u>	<u>46,162</u>

**20. SHARE CAPITAL**

	2021 £	2020 £
<b>Authorised</b>		
10 Ordinary "B" Shares of £1 each	14	14
<b>Allotted, Issued and Fully Paid</b>		
10 Ordinary "B" Shares of £1 each	14	14

**21. FINANCIAL AND CAPITAL COMMITMENTS**

	2021 £ '000	Other 2020 £ '000
Operating leases that are subject to future minimum lease commitments are as follows:		
Within one year	79	79
In the second to fifth years	45	98
In more than five years	-	-

The capital commitment for the School Hall and Music School at 31 July 2021 was £2.7m (2020: £8.6m) for which the School has arranged an unsecured term facility with HSBC. A further capital commitment relating to Boarding Accommodation upgrades at 31 July 2021 was £0.5m.

**22. RELATED PARTIES**

**LIME AVENUE SALES & SERVICES LTD – LASS Ltd**

The directors of LASS Ltd, as indicated under Governing Council and Officers on page 45, are members of Governing Council or the Senior Management Team. During the year ended 31 July 2021 the company's turnover included £30,000 (2020: £27,000) from supplies to Benenden School (Kent) Ltd. LASS Ltd also made a donation of £14,000 under gift aid to the charitable company. At the year-end, a balance of £20,000 (2020: £nil) was owed to Benenden School (Kent) Ltd.

**BENENDEN INTERNATIONAL LTD - BIL**

Several members of Governing Council and the Senior Management Team also served in the year as directors of BIL, as indicated under Governing Council and Officers details. During the year recharges of £54,000 were paid by BIL to the School.

**22. RELATED PARTIES (continued)**

Benenden School, a company registered in the United Kingdom with number 11352204, became a wholly owned subsidiary of the Charity during the year.

No Governing Council members received any remuneration. During the year, four (2020: four) Governing Council members had children at the School. No Governing Council member received remuneration (2020: no member) for services supplied to the School.

During the year, the School obtained within its general insurance, professional indemnity and governors liability insurance cover of £5m (2020: £5m), the cost of which cannot be split.

**23. PENSION SCHEMES**

Retirement benefits to employees of the School are provided through two defined benefit schemes which are funded by the School's and employees' contributions.

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1.2m (2020: £1.2m) and at the year-end £149,000 (2020: £151,000) was accrued in respect of contributions to this scheme.

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

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

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021 (continued)**

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

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

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

**TPT Retirement Solutions' Growth Plan**

Support staff are eligible to contribute to TPT Retirement Solutions' (formerly The Pensions Trust) Growth Plan. The plan is a multi-employer scheme, partly money purchase and partly with defined benefits. The School contributes at a rate between 3% and 11% of gross pensionable salary, together with an additional premium to meet an underfunded liability as advised by TPT Retirement Solutions. The multi-employer scheme structure enables sponsors to pool costs and access a wider range of support, administration, and investment services than most could reasonably afford alone. However, the multi-employer structure does come with risk and managing this is an important element of the TPT Committee's remit. Despite the financial controls preventing weaker employers from building up new liabilities, it is possible that an employer may become insolvent and be unable to meet the full cost of settling its liabilities. If so, those 'orphan' liabilities, as they are known are shared amongst the remaining employers. The scheme has a mix of different sized employers with a wide spread of the share of liability. Of the 950 employers, over 95% have less than a 1% share of the liabilities. The largest individual employer share is 2.7%. Therefore, if an employer in the Scheme became insolvent, the impact on the remaining employers is relatively low. If the School were to leave the scheme it would have a liability to it. At 30 September 2020 this liability would have been £1.856m (2019: £1.984m). There is no plan to leave the scheme, so this contingent liability has not been provided for in the accounts. However, the School has currently earmarked an amount of £1.4m against this possible liability.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme. The School is committed to deficit repayments in relation to The Pensions Trust Growth plan of £115k per annum over a period of 10 years from 1 April 2013, indexed at 3% per annum. In line with the requirements of FRS 102, a liability of £115,000 (2020: £231,000) has been recognised in relation to this.

Both Schemes permit staff to make additional voluntary contributions.

	<b>2021</b>	<b>2020</b>
	<b>£ '000</b>	<b>£ '000</b>
Total contributions incurred during the year were:		
Teaching staff	1,192	1,205
Support staff	504	475
	<u>1,696</u>	<u>1,680</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021 (continued)**

**24. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES - 2020**

	Unrestricted Funds		Restricted Funds	Total 2020
	General Funds	Designated Funds	Funds	Total 2020
	£ '000	£ '000	£ '000	£ '000
<b>INCOME FROM:</b>				
<b>Charitable activities</b>				
School fees	18,464	-	-	18,464
Ancillary trading income	1,516	-	-	1,516
<b>Other trading activities</b>				
Trading company	174	-	-	174
<b>Investment income</b>	13	20	7	40
<b>Voluntary sources</b>				
Grants and donations	1,030	-	391	1,421
<b>Total Income</b>	<b>21,197</b>	<b>82</b>	<b>398</b>	<b>21,615</b>
<b>EXPENDITURE ON:</b>				
<b>Raising funds</b>				
Trading costs	160	-	-	160
Fundraising costs	262	-	-	262
Financing costs	361	1	-	362
Investment management	2	4	2	8
	785	5	2	792
<b>Charitable activities</b>				
Educational activities and grant making	18,559	-	174	18,733
<b>Total Expenditure</b>	<b>19,344</b>	<b>5</b>	<b>176</b>	<b>19,525</b>
<b>NET INCOME BEFORE TAX</b>	<b>185</b>	<b>15</b>	<b>176</b>	<b>2,090</b>
Taxation payable	15	-	-	15
<b>NET INCOME AFTER TAXATION BEFORE INVESTMENT GAINS</b>	<b>1,838</b>	<b>15</b>	<b>222</b>	<b>2,075</b>
Investment gains	26	61	37	124
Transfers	937	-	(937)	-
<b>NET MOVEMENT IN FUNDS</b>	<b>2,801</b>	<b>76</b>	<b>(678)</b>	<b>2,199</b>
Balance brought forward at 1 August 2019	40,353	2,932	4,791	48,076
Balance carried forward at 31 July 2020	43,154	3,008	4,113	50,275

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## Governing Council and Officers

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Benenden School (Kent) Ltd is a limited company with charitable status. The Directors of the company, who are the Trustees of the charity, are the members of the Governing Council of Benenden School. Those who served during the year and subsequently were:

The Hon Mrs J S Birkett	1, 4 (from 3 July 2021), 7, 13, 20, 21
Ms F J Conway Blakemore	14, 17
Ms A J Clarke~	8, 16, 22
Dr F E Cornish	10
Mrs D Coslett (appointed 1 September 2020)	12, 19
Dr R W Evenett~	3, 9, 15, 22
Ms L Gallagher (resigned 3 July 2021)	4 (until 3 July 2021), 13
Mrs M MacDonald	11
Mr P A J C Marshall (appointed 17 March 2021)	13, 19
Mrs A McNab*~	2, 5, 13, 16, 17, 22
Mr C G Nicolle (deceased October 2020)	13
Mr J P Pearce~	6, 16, 17
Mr G St A Pugh	13
Mr J N Rice (appointed 17 March 2021; resigned 25 June 2021)	13
Mr P A Simpkin	14, 22
Prof L C Taub	12, 18

Governing Council Members are appointed by the Governing Council for a term of four years. They can be re-elected or retire by rotation. There are no nominated Governing Council Members.

Denotes (as at 21 October 2021 or prior to retirement):

- |                                      |  |
|--------------------------------------|--|
| 1. Chair of Governing Council        | 12. Member of Education Committee        |
| 2. Deputy Chair of Governing Council | 13. Member of Estates Committee          |
| 3. Chair of Education Committee      | 14. Member of Finance Committee          |
| 4. Chair of Estates Committee        | 15. Member of Investment Committee       |
| 5. Chair of Finance Committee        | 16. Member of Nominations Committee      |
| 6. Chair of Investment Committee     | 17. Member of Remuneration Committee     |
| 7. Chair of Nominations Committee    | 18. Member of Risk Committee             |
| 8. Chair of Remuneration Committee   | 19. Member of Safeguarding Committee     |
| 9. Chair of Risk Committee           | 20. Member of Development Board          |
| 10. Chair of Safeguarding Committee  | 21. Chair of Coronavirus Response Group  |
| 11. Chair of Development Board       | 22. Member of Coronavirus Response Group |

\* Director of LASS Ltd

~ Director of BIL

## SHAREHOLDERS

The School is owned by holders of “B” shares; there are no “A” shareholders. The list of shareholders is the same as the list of Governing Council members shown above.

No payment was made to any Directors for their services as Members of the Board of Governing Council Members. They were reimbursed expenses directly incurred on school business.

## OFFICERS

Headmistress	Mrs S A Price
Director of Finance and Operations	Mrs J E Lerbech *
Secretary	Mr J M M Graham
Further members of the Senior Management Team	Mr M J L Commander ~ Mr R N George Mrs A E Harber (until 31 August 2021) Mr K A Johnson Mr S Miller Mr I G Read Ms H J R Semple (from 1 September 2021) Mrs L A Tyler Mrs A M Wakefield
Address and Registered Office	Benenden School (Kent) Limited Cranbrook Kent TN17 4AA
Company Number	196353
Charity Number	307854

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## Advisers

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### Bankers

Coutts & Co.  
440 Strand  
London WC2R 0QS

HSBC UK Bank Plc  
1<sup>st</sup> Floor, First Point, Buckingham Gate  
London Gatwick Airport  
West Sussex RH6 0NT

### Solicitors

Farrer & Co.  
66 Lincoln's Inn Fields  
London WC2A 3LH

### Auditors

Haysmacintyre LLP  
10 Queen St Place  
London EC4R 1AG

### Investment Advisers

Sarasin & Partners LLP  
Juxon House  
100 St Paul's Churchyard  
London EC4M 8BU

### Insurance Brokers

Marsh Brokers Ltd  
Education Practice  
Capital House  
1-5 Perrymount Road  
Haywards Heath  
West Sussex RH16 3SY



BENENDEN

**BENENDEN SCHOOL (KENT) LIMITED**

England & Wales - Charity number 307854

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# Accounts

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BENENDEN



**BENENDEN SCHOOL (KENT) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

Registered Company No: 196353

Charity No: 307854

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## Chairman of Governing Council's Introduction

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In presenting the annual report and accounts for Benenden School for the year to July 2020 we are, as always, delighted to be able to pay tribute to great educational achievements by the pupils as well as being able to reflect with pleasure on the increasingly significant contribution the School is making in working with its counterparts in the state sector and as a voice within the independent sector. The Head's Report details just a few of the many individual and collective successes which serve as hallmark of a busy and stimulating year.

What sets this year apart is that so much has been achieved both within the School and in our partnerships with others against a backdrop of almost continuous uncertainty in the wider environment; our minds go immediately to the Coronavirus pandemic and the extraordinary level of disruption that has caused but it is worth remembering that we started the year focussed on the potential implications for our sector of Brexit and the possibility of a change of government following a General Election. Coronavirus then emerged as a risk which rapidly turned into a full scale event and a genuine "crisis" requiring a very rapid operational response on the part of the entire community. Every member of the community responded very positively to the challenge of closing the Campus for only the second time in the School's history (the first being during World War II) and School life was transformed within a very short space of time.

For the remainder of the academic year the priority was to ensure that the pupils continued to receive the highest quality and broadest education possible while confined to their homes. Alongside this the Senior Team and Governing Council worked extensively to ensure that the School's finances were secured in the short term. Like all organisations we managed these short term operational imperatives against a backdrop of constantly changing government guidelines affecting the operation of schools as well as the ever changing scientific landscape; from this busy and challenging period we have learnt much which will be of value as we move forward.

While the pandemic is clearly going to be with us for some while yet and will have a lasting impact in ways which we cannot yet fully assess, we continue to guide the School forward to its forthcoming Centenary and beyond; we have been keen to keep a healthy focus on the long term and therefore to maintain momentum on the strategic imperatives already identified. In particular:

- work has continued on academic priorities - and the aim of developing the School's digital classroom capability received a Covid triggered boost;
- our commitment to collaboration with local state sector schools and in particular our partnership with the John Wallis Academy in Ashford has continued to develop and thrive throughout the year. The pandemic period provided its own opportunities and we have collaborated extensively on online teaching and more recently we have been able to provide access to the onsite Covid testing capability we were fortunate enough to procure;
- while suffering from some Covid related delays the redevelopment of the Hall and Music School has progressed and we have also done significant planning on other aspects of refreshing School facilities;
- we were able to announce our decision to admit a small number of day boarders from September 2021 in order to respond to the changing needs of our market; and

- we have made significant progress on our long term aim to secure alternative sources of revenue to enable us to implement a bold vision for the future of fee supported places at the School. This initiative is crucial to the School's future ability to recruit pupils from a wide range of backgrounds who will be able to benefit from the Complete Education which is our hallmark.

In conclusion I look back on a year which has certainly been unpredictable, challenging and fast paced; it has also been a year in which a great deal has been accomplished both within and by the School. We must assume that the pandemic will continue to have a significant impact throughout the year now underway and beyond, as reflected in our statement of risks set out in this report. Notwithstanding that Governing Council is confident that the School's financial and strategic position is secure and that it is well positioned to continue to navigate through the uncertainties which lie ahead.

The Hon Mrs A Birkett MA, MBA

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## Head's Report

### Review of the Year

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#### Activities and Achievements

Our aim at Benenden is to provide each pupil with a Complete Education. This is achieved through a stimulating, and stretching curriculum, complimented by a wealth of co-curricular opportunities and a specific focus on personal growth and community awareness. We challenge ourselves to ensure that this is a Complete Education of excellence and to this end we strive to ensure that, through a robust ongoing review of our offering and resources, we are able to deliver to every girl this aim

Our Complete Education is, of course, supported by 'Benenden Boarding' for all, where girls enjoy all that our boarding school provides, with the additional benefit of being able to have regular access to home through weekend leaves and an active engagement with parents who regularly visit and attend a myriad of events at weekends. We were excited to announce earlier this year that from September 2021 we will be offering a limited number of 'day boarding' places at Year 9 and 12 entry to local girls wishing to immerse themselves in our educational provision, the only difference being that they will sleep at home.

We continue to work hard to ensure that the bespoke, innovative and creative approach we take to our curriculum continues to thoroughly prepare the girls for public exams and provide them with the skills that will enable them to thrive to higher education and into a continually evolving and competitive workplace. In response to this, we have continued to evolve and now monitor an individual's progress within each of the five areas of our Complete Education model that translate across academic excellence, co-curricular participation, and personal development. They are: Skills for Life, Global Awareness, Mind and Spirit, Physical Health and Wellbeing, and Creativity and Culture.

At the heart of personal development sits community responsibility and our pupils recognising the responsibility they have in this regard. This is underpinned by our extensive partnership programme.

To this end, the School's Outreach programme continues to grow with over two thirds of girls in the Upper School actively volunteering to get involved with the community beyond the School. In addition to existing commitments – which include helping at the village primary school, shop and café, and a local day centre for adults with learning disabilities – activities include girls reading to and running sports clubs for children at another primary school and helping a charity for the elderly by working in their charity shop and socialising with residents. Girls are also using technology to mentor young people overseas and it is our aim to develop this further. During Covid-19, we have been in the fortunate position to share with local schools the use of our SAMBA 2, POC testing machine.

#### Partnerships

The numerous partnerships that we are involved with include both staff and students and are defined by the reciprocal benefits of these mutual relationships. During the year, the School contributed £62,000 with respect to time on partnership activities.

#### The John Wallis Academy

Benenden is one of four sponsors for The John Wallis Church of England Academy (TJWA) which serves the Stanhope estate in Ashford. The School works closely with the Principal and Senior Leadership Team and has been delighted with the growing success of the TJWA in terms of

reputation, results, inspection reports, numbers, and aspiration of its pupils. We are delighted with our reciprocal relationship which includes shared governance and weekly meetings between the Heads of both schools to discuss operational and strategic matters. Extensive academic collaboration involves termly meetings between Heads of Departments where good practice and resources are shared, a student mentoring programme, Department Reviews and Teacher training placements are reciprocal between both schools and Benenden provides support to students from the JWA with University applications, preparation for Oxbridge and medicine tests and interviews. During the national lockdown we were delighted to support the Academy with remote A level teaching in Science and online mentoring between our students and those from the Academy at both Primary and Secondary levels. Discussions are underway to see how we can develop the opportunities presented by remote learning further, including lesson observations, sharing recorded lessons and online resources. There are a range of collaborations between the two schools across co-curricular departments as well, including dance, music and CCF departments.

### **Volunteer Programme**

More than 70 pupils are involved in volunteering and each week the girls are helping at a variety of organisations, including local schools, charities, and care homes. Volunteering also includes mentoring via Skype to some of the poorest children in Nairobi. The number of students participating in the volunteer programme and the opportunities available has significantly increased year on year. Benenden funds the staffing and support necessary to make this happen.

### **Kent Academies Network**

Benenden is also a member of the Kent Academies Network (KAN) and is a key participator in the KAN programme designed to support students from underprivileged backgrounds to aspire to higher education. Benenden is very well represented at the residential schools during the Easter and Summer holidays and a member of the Benenden staff sits on the KAN committee.

### **Local Schools**

The School has provided teaching support in GCSE Music to Cranbrook School and previously supported their Classics Department. One of our senior management team (SMT) is on their governing body (a number of Benenden staff are governors at a range of schools from both independent and state sector institutions.) We have also aided Cranbrook through provision of inset and support with recruitment. Through our recognition as a member of Confucius Classroom, our Mandarin Department promotes the teaching of Chinese to other schools.

### **Benenden Village Shop**

The School-owned village shop which is leased to the Village Community Group for a nominal rent continues to prosper, providing a key service to the community. Benenden girls provide support through the volunteer programme helping in the shop, serving behind the counter and in the café. Benenden has also supported the shop and village through hosting wine events aimed at boosting community links between school and village and helping promote the wine trade of the shop.

### **Charitable Fundraising**

As a community, the School has always worked hard to support others through its charitable work and its programme of outreach activities. Charitable fundraising at the School is strong: in the year 2019-2020, the School raised £14,064 for a wide range of organisations and causes both in the UK and abroad. Some of these included The Wealy Family Hub (£3,000); Sanitary Aid (£2,080); Gurka Welfare Trust (£1,683); Pahar Trust Nepal (£1,683); Bloom Nepal (£1,683); The Sam West Foundation (£1,530) and Cancer research UK (£1,576). In addition, the School community of pupils and staff raised further charitable funds through a range of activities. As well as raising funds, students and staff also participated in the Operation Christmas Child Shoebox Appeal. Most of these activities are

student-led initiatives which the School staff support and facilitate.

### **Welcoming the Community**

The School continues to offer its facilities to local and overseas users with several organisations regularly using the sports centre, swimming pool, all-weather pitch, and the tennis courts. The Eco-Classroom is available for use by local schools. Kent Music has now been running their popular summer school here at Benenden for more than 40 years. Although this year the School is unable to host the village fireworks event on site due to the ongoing Covid situation, it is hoped this will proceed as usual next year.

Benenden hosts two local groups supporting the elderly and disabled providing teas, musical entertainment and the good company of our students, this has been impacted by the events of this year however, it is hoped the School can continue this support

### **Bursaries and Scholarships**

The School is pleased to have been in a position to fully fund bursaries for twelve girls' academic and pastoral studies during the year. Selection for the fully funded places took place over a prolonged period of assessment and involved much consultation with Heads of local primary schools to identify suitable candidates.

The full amount of scholarships, bursaries and allowances awarded by the School and the Hong Kong Trust was £1,272,000 (2019: £1,301,000) of which £1,096,000 (2019: £1,151,000) was given by the School to provide financial assistance and reward academic, sporting and musical excellence. This resulted in 22.9% (2019: 24.7%) of pupils receiving fee concessions from the School, which vary from a little support of 10% to a full bursary of 110%. The School no longer attaches a monetary value to academic scholarships awarded choosing instead to increase the number of pupils benefiting from bursary support.

Benenden is a relatively young foundation and therefore does not benefit from an endowment to support enabling wider access through offering fully funded places. Nevertheless, it is the School's firm ambition through a very ambitious strategy to significantly increase the number of fully funded and subsidised places we can offer in the future. We regard continuing to diversify our pupil body as an absolute priority.

### **Overview of the Year**

The start of the academic year saw the appointment of three new Deputy Heads, because of retirements, and the creation of two new senior positions on the Senior Management Team, one to oversee strategic projects for the School and the other to focus on ongoing curriculum and staff development. The Academic Deputy Head has focused closely on the oversight of pupil progress through very close monitoring and consistent excellent teaching as students continue to develop the skills to 'grapple' with concepts, articulate ideas and use their knowledge effectively and with creativity.

Prior to the disruption of lockdown, the rhythm of the school year saw numerous highlights. There has been a strong focus on all things STEM including a Physics trip to CERN, a Model Rocket Car day and a fabulous British Science Week, which featured a wide array of expert speakers and experiments taking place to showcase the benefits of STEM, while there are numerous scientific research projects underway. In addition, we enjoyed the outstanding production of Sister Act performed over four nights to packed audiences, success in the National Lacrosse Tournament, the further development of our work within the community and the senior girls taking a strong lead with pupil mentoring and leading numerous initiatives within the School. Although the Music Department does not currently

have a home, as the building of the new Music School continues, the output from the department continues and in the run-up to Christmas we were delighted to launch *Make We Merry*, our first commercial festive CD which featured specially commissioned pieces.

The last academic year has been one like no other owing to Covid-19. In many ways it has seen us evolve at a speed which we would not have imagined. The operation of the School had to rapidly change in March when schools were closed, and this prompted us to transfer our whole educational operation online for the duration of the Summer Term. The teaching and pastoral staff upskilled within days to be proficient to teach the full curriculum online via Teams and we adapted the timings of the day to accommodate the increased screen time for pupils and staff as well as girls studying from overseas across the globe. With GCSE and A Level exams cancelled, the Year 11 embarked upon preparatory teaching in their chosen A Level subjects and the Year 13 undertook a full post-A Level enrichment programme written specifically for them. Assemblies, Tutor and House meetings, and a comprehensive programme of co-curricular activities, including Music and Drama lessons, continued to be run online as well as weekend activities to mirror our Weekend Programme. The academic year finished with a live virtual Speech Day where we celebrated individual and collective successes as well as farewells made to each member of the Year 13 as they completed their school journey. We were also able to support our partner school, The John Wallis Academy, with remote A Level teaching in Science as well as technical support with using the learning platform, Microsoft Teams.

Benenden online has demonstrated the agility of the school community and a new level of technical provision and proficiency. This provides us with an exciting springboard for us to now develop this further as we continue to focus on our strategy.

Engagement with our former pupils (Seniors) continues to thrive with networking events across the country and dozens of Seniors supporting activities within the School through the Professional Skills Programme, work experience and mentoring both at university and beyond. We were delighted to launch our new online platform, Benenden Connects, which is rapidly providing those across our community to connect with the School and within six months of the launch we have 1,470 people signed up. Lockdown saw former pupils continue to connect, with older Seniors being contacted by members of the Benenden School Seniors' Association to provide companionship and support.

The building of the new School Hall and Music School continues, and we look forward to it opening in September 2021. This incredible facility is designed for the benefit of both the School and wider community where we intend to invite children from around the county to engage with numerous musical activities as well as encourage the local community more broadly to attend our exciting programme of concerts and events. The phased refurbishment programme of the Lower School boarding houses is underway, and we are benefitting from the involvement of the girls with furnishings and fittings.

We continue to make excellent progress with all aspects of the School's Centenary Vision, from our curriculum provision to facilities and community impact. Despite the national challenges that we all currently face, Benenden continues to adapt to these, develop and strengthen the Complete Education it offers all girls and support the education sector more broadly.

### **Academic**

Over 80% of the 2020 leavers gained places at their first choice of university, with the vast majority studying traditional courses at Russell Group universities and some girls opting to study at the leading universities in the United States. Despite the complexities of the grading this year, we were delighted with the 40% A\* grade rate at A level and the 62% Level 8 and 9 rate at GCSE (the equivalent of A\*).

The table below shows the three-year comparison of academic results for these grades:

	<b>2018</b>	<b>2019</b>	<b>2020</b>
A Level entries achieving A*, A or B	86%	80%	93.9%
A Level entries achieving A* or A	63%	55%	74.3%
GCSE entries achieving A*, A or B (9-6)	97%	97%	93.2%
GCSE entries achieving A*/A (or equivalent*)	80%	79%	82.4%

\*Taking into account the national reforms from the A\*-G grading system to the 9-1 system

The School also uses other, often more valuable and informative, methods of measuring performance including the comparison with baseline testing on entry. An indicator of Benenden's ongoing achievement is the value-added achieved year on year at both GCSE and A Level which continues to be very positive.

### **Co-Curricular**

Co-curricular activities remain a key strength of Benenden's offer. Our programme has been severely disrupted by lockdown restrictions, but this has not prevented the girls from recording a series of achievements across the co-curricular disciplines.

Our Choir released their first Christmas CD – Make We Merry, and our programme of Music concerts included performing Evensong with Eton College.

The biennial School Musical was Sister Act, which was a fabulous success, while the following term the younger girls performed Wickenden Hall, about the nostalgic world of a boarding school!

Our Model United Nations involvement continues to be strong, with girls achieving awards and gaining valuable experience at a range of conferences, including at Cambridge University, Wycombe Abbey and Oxford, while in December we hosted our 12th conference here at Benenden.

Our young sportswomen have enjoyed another successful year. For the second year running, our U16 Netball team qualified for the London and South East Tournament after making it through the incredibly competitive Kent county finals. Our Year 9/10 Tennis team made it to the South East Regional Finals, finishing in the top 16 out of 252 schools. Perhaps most notably, our 1st Lacrosse team had an outstanding National Schools Lacrosse Championship, finishing as runners-up.

The Engineering Club is currently constructing a microlight – inspired by a similar project by Benenden girls two years ago. This time the project is being run jointly with our partner school, The John Wallis Church of England Academy.

In Outdoor Education, 17 students and four staff trekked through Nepal in December, visiting charities that the School has supported. Eight girls have achieved the Gold Duke of Edinburgh's Award this year and candidates have been commended for contributing 1,469 hours of voluntary service in the local community

We held a poignant commemorative event for Capitaine Jean Maridor (Free French), a French pilot who died while saving the school buildings from a doodlebug 75 years earlier. Dignitaries and relatives joined pupils and staff on Remembrance Sunday to pay tribute to Capt Maridor, a pilot with 91 Squadron RAF who died while successfully preventing a flying bomb from hitting its target: the buildings of Benenden School which at the time were being used as a wartime military hospital.

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## Governing Council's Report

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### Objects and Aims

The principal objects of the Company are to promote and provide for the advancement of the education of school age pupils, and to hold lectures, exhibitions, concerts, public meetings, classes, conferences and other activities calculated directly or indirectly to advance the cause of education.

### Benenden School's Aims for its Pupils

Benenden School aims to give each pupil a complete education in which she achieves her academic potential and grows as an individual. We want her to relish all that school life has to offer so that she leaves us as a confident, positive young woman truly prepared for her future.

We expect each girl to be a responsible and considerate global citizen who is outward looking, courageous and compassionate. We support her in being aspirational and in developing her interests and talents whilst learning to achieve balance in her life.

By emphasising the importance of spiritual growth, we hope that each girl will enjoy making a contribution to our happy and caring school and go on to be inspired to make a positive difference to whichever communities she finds herself in throughout her life.

We aim to do this by providing:

- an inspiring, challenging and responsive academic curriculum which balances the best of tradition and innovation;
- excellent and motivating teaching designed to encourage our girls to become independent, enquiring and critical thinkers;
- a framework of individual support devised to help each girl experience and benefit from a full programme of study balanced with a wide variety of cultural, creative, physical and fun activities;
- a culture of encouragement and support designed to develop self-reliance, resilience, confidence and wellbeing;
- the experience of learning to understand other people, working and living together with tolerance and compromise, whilst also offering a wide range of opportunities for leadership;
- careers and higher education guidance designed to help every student achieve her own personal goals, equipped with professional and life skills for university and beyond;
- a close partnership with parents so that school and home can work together to help every pupil make the most of her time at Benenden.

### Benenden Values

In all that we do at Benenden, we aim to foster:

- **Belief in oneself:** integrity, independence, courage, endeavour, reflection, self-respect and self-confidence;
- **Belief in others:** trust, appreciation, consultation, understanding, generosity of spirit, tolerance and respect;
- **Commitment to learning:** an enthusiasm for and love of learning; and
- **Commitment to the community:** participation, service, responsibility, leadership, initiative, compassion and commitment to equality.

## **Objectives**

The Directors confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Company. Ensuring best practice across the board is a priority and the School continues to develop its policies and procedures for monitoring and evaluating this.

The Governing Council confirms that they have complied with their duty as directors, to have regard to the matters in section 172(1) of the Companies Act 2006. This duty is to act in good faith, to promote the success of the School whilst having regard to:

- the consequences of any decisions in the long term;
- the interests of the School's employees;
- the need to foster business relationships with suppliers, customers and others;
- the impact of the School's operations on the community and the environment;
- the desirability of maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the charitable company.

The Governing Council has promoted the success of the School by acting in good faith to assist the School to meet its aims and objectives. During the course of the year the Governing Council and the Senior Management Team have been focused on responding to the challenges as a result of the Covid-19 pandemic. The challenges have been operational, financial, and strategic which has necessitated considerable time and effort to respond to the immediate issues and to consider the longer term implications of the pandemic on the School. Whilst the pandemic has had an impact on the operations and financial position of the School and will continue to do so for the foreseeable future, the Governing Council is satisfied that the School remains both operationally and financially in a stable and secure position. Further detail on the impact of Covid-19 can be found in the Head's Review of the Year, the Financial Review and Principal Risks and Uncertainties.

Attracting and developing excellent teachers remains a priority for the School. To support engagement with the profession our graduate teaching training package, together with an integrated professional development programme for teaching staff to support their progression to middle and senior leadership positions is well underway. Now with a dedicated member of the Senior Management Team overseeing this, plans are underway to develop this programme with other local schools so that collectively we share our commitment to supporting the development of outstanding teaching and leaders within the profession. Alongside this, we make active use of the Apprenticeship Levy funding to help develop colleagues in a range of support roles. We have a Staff Wellbeing group, with representatives from a wide range of roles within the School. This is chaired by the First Deputy and gives employees an opportunity to raise issues about any aspect of the School. There is a weekly staff meeting that all employees can either attend, in person or watch via a recording, in which issues can be raised. The Headmistress has a 'surgery' time on Wednesday mornings when any member of staff can drop in to discuss any concerns they may have. The HR department have an open door policy and staff are encouraged to come and see them about issues they may have.

Benenden School is committed to securing equality of opportunity through the creation of an environment in which everyone is treated as an individual. By respecting and using diversity we can maximise our impact through meeting individual needs and staying in touch with the changing societies in which we work.

## **Plans for Future Periods**

The Centenary Vision Project (ten-year strategy plan) centres on a range of capital projects, together with fundraising for bursaries. The School remains committed to offering significant bursarial support

for pupils who attend Benenden on full Bursaries, which we have ambitious plans to significantly increase in the future. Phase one of The Centenary Vision identified the following development priorities:

- All-weather Pitch and Pavilion – completed September 2016
- Provision of eight units of family accommodation for staff – completed September 2016
- Development of the School Hall, Music School and West Wing teaching areas – to be opened September 2021

The single most ambitious development project that the School has undertaken is the development of the area of the site known as The West Wing. This footprint comprises of the Hall, Music School and West Wing teaching block. The renovation of the whole complex will be transformational for the School as we re-develop what will be 'The Heart' of Benenden which will be enjoyed daily by every girl in the School. Phase 1 of this development transformed the old West Wing teaching block into a newly refurbished building with updated classrooms and a new suite of staff working accommodation. This was completed in Easter 2018. The relocation of staff out of their facility in the Study Centre has, in turn, created both enhanced study space for the pupils adjacent to the Library and more classroom space.

The second phase of the development is the building of a new Hall and Music School, with the space and facilities to meet the requirements of a larger school. Work commenced in Spring 2019. The original Hall was built in the 1930s for two hundred and fifty girls (current roll is around five hundred and forty) and both the Hall and Music School will provide for the outstanding musical talent which continues to strengthen year on year at the School. The new complex will inspire the hundreds of girls who will pass through Benenden in the generations to come and it is our intention to open these wonderful spaces and facilities to young people from the local area so that they too can benefit from the musical opportunities the School can offer. All elements are due to be completed well in advance of the School's Centenary in 2023.

Development projects such as these are undertaken following extremely careful consideration by the School's Executive and Governing Council to ensure absolute confidence in the financial commitment that a building project such as this entails. The project is being financed by both the generous donations of the School's supporters and a long-term financing arrangement.

On 21 August 2019, Benenden International Limited (BIL), was incorporated as a wholly owned subsidiary of Benenden School (Kent) Limited. The purpose of BIL is to facilitate the School accessing the international school market or take on other options for business diversification should a suitable opportunity arise with the primary purpose of raising funds for bursaries. The Directors of BIL are made up of members of the Governing Council, the School Executive, and independent representatives. During the year BIL has been engaged in the negotiation of an international school licensing agreement which was signed subsequent to the year end.

### **Financial Review**

From a financial perspective the aims of the Governing Council include generating sufficient income to ensure the School is in a sound financial position, maintaining and investing in the buildings and grounds of the estate and building the School's bursary provision. On a regular basis, the Finance Committee carefully reviews the financial results of the School, its cashflows on a short term and longer term basis, the level of borrowings and its capital expenditure. The outcome of these reviews is reported to and considered by the Governing Council.

The Covid-19 pandemic has had an impact on the financial results for this year resulting in lower net

income for the year than is usual. This is best illustrated by considering the net income for the year excluding Grants and Donations.

	<b>2020</b>	<b>2019</b>
	<b>£ '000</b>	<b>£ '000</b>
Net income after taxation	2,075	11,388
Less:		
Grants and donations (excl Government grant in 2020 and Trust transfer of assets in 2019)	(511)	(3,164)
Trust transfer of assets	-	(6,043)
Government grant	(910)	-
	<hr/>	<hr/>
Net income after taxation excluding grants and donations	654	2,181
	<hr/>	<hr/>

Income (excluding donations) decreased from £22.2m to £20.3m primarily due to a decrease in fees receivable resulting from a summer term fee reduction for remote learning due to the nationwide lockdown arising from the pandemic situation. As a major local employer, the Governing Council and Senior Management Team carefully considered the employment of the non-teaching staff when the School closed in March 2020. It was decided that the School would continue to employ all staff and pay them 100% of their salary. In order to help fund this, the School took advantage of the Government's furlough scheme to fund 80% of the cost, included above as a Government grant.

Expenditure decreased from £20.0m to £19.5m as a result of the school being closed for the summer term. The surplus achieved of £2.2m, including gifts, grants and donations, investment gains and trading income, enables the School to invest both for the future by way of capital projects such as the development of the new School Hall and Music School where significant borrowings have been undertaken and adequate surpluses are required to ensure that debt is serviced and, in its bursary programme. These financial results incorporate those of LASS Ltd which during the year continued as the main trading arm of the School. The principal activity of LASS continued to be the operation of the retail shop at Benenden. The shop stocks school uniform, stationery, sports equipment and pharmacy products for sale to the School community.

	<b>2019</b>	<b>2020</b>
Pupil numbers	555	537
Fee concessions as a percentage of gross fees	6.2%	6.5%
Direct teaching costs as a percentage of gross fees	38.5%	38.7%
Increase in school fees	3.27%	3.75%
	<hr/>	<hr/>

#### Reserves

At 31 July 2020, the School had unrestricted funds of £46.1m, of which £3.0m were designated, and restricted funds held for bursaries totalling £1.7m. The Governing Council has a long-standing policy to use revenue surpluses and borrowings as appropriate to improve the facilities and the overall educational service provided by the School. It is the intention of the Governing Council that this policy of developing and improving the School be continued and any unrestricted surpluses will be

used for this purpose.

The majority of designated funds relate to the Clarke Will fund of £2.9m, the income of which is used to assist in the funding of bursaries. Benenden, in line with all independent schools, offers a percentage of bursaries to support girls to attend the School or to continue at the School if their family falls into financial hardship.

The Governing Council Members continue to review the current asset position of the School to ensure that it has sufficient working capital to meet its obligations, having regard to the seasonal flow of income. The School anticipates that its on-going activities will allow it to build a modest level of reserves to support an on-going programme of development and improvements and to provide scholarships and bursaries. The Trustees regard 'free' reserves as being the reserves of the School after deducting fixed assets and any funds held as restricted or designated. On the basis described there is a deficit of free reserves of £7.0m (2019: £4.1m). Similar to many other independent schools, the School has invested heavily in fixed assets which have resulted in this deficit.

#### Advance Fees

The School operates an unsecured Fees in Advance (FIA) Scheme for the benefit of parents.

#### Fundraising Practices

Fundraising is conducted through the School's development office. The principal aims for the year were to secure ongoing donations towards the successful £5million Heart of Benenden Campaign, and to put plans in place for the launch of a significant and ongoing bursary fundraising initiative to increase significantly the charitable funding available for means-tested full bursaries. Alongside this, the School re-launched the Benenden Society as a lifelong membership organisation for all members of the School's community, with Benenden Connects – its new online home and an important mechanism through which members will participate – also successfully launched.

Key events during the year included dinners for parents at Ironmonger's Hall in London and at The Hong Kong Jockey Club although other planned events and fundraising activities were postponed due to the onset of Covid-19.

The School complies with the Fundraising Regulator's code of practice and there are no matters to report of the School failing to comply with fundraising standards and the School received no complaints about its fundraising activity in the year.

#### Energy and carbon statement

The School engaged its utility consultants Professional Energy Services to review its greenhouse gas emissions and energy use data to compile a report to meet the SECR reporting requirements. The report was produced using interval meter data, full year billing data, travel expense claims, fuel cards and onsite vehicle fuel data. The table below summarises the energy use relating to electricity, gas combustion and transport.

Electricity use	1,971,566 kWh
Gas combustion	5,081,011 kWh
Transport	143,211 kWh
Total	7,195,788 kWh

The greenhouse gas emissions associated with the energy use identified in the table above are as follows:

Electricity use	503.9 tCO <sub>2</sub> e
Gas combustion	934.1 tCO <sub>2</sub> e
Transport	36.1 tCO <sub>2</sub> e
Total	1,474.1 tCO <sub>2</sub> e

Due to expansion works within the grounds the exact square footage is not known and will be changing significantly. It has therefore been decided that the constant index will be pupil numbers. The intensity ration for Benenden School is 2.74 tCO<sub>2</sub>e per student for the reporting year (based on 538 students).

The methodologies used in the identification and calculation of the provided information followed the processes described in the GHG Reporting Protocol – Corporate Standard. GHG Conversion Factors for electricity, gas and transport were taken from the UK Government GHG Conversion Factors for Company Reporting 2019 except for the conversion factor relating transport mileage to kWh equivalents contained in the 2020 conversion factors document. Data on electricity use and gas consumption were acquired from recorded invoice data provided by Professional Energy Services. Data on transport came from mileage data calculated from recorded expenses claims.

In the year to 31 July 2020, the School has been active in gaining insight to its energy usage. Such measures have included the addition and active monitoring of sub meters in the staff accommodation as well having an Environmental Committee for pupils to raise energy efficiency awareness. These actions have resulted in a greater understanding of where energy is being consumed in the school and a higher awareness of best practice for energy efficiency. The School understands that more efficiencies can be achieved through adoption of technologies that will be reviewed in the coming years, some areas of focus will be onsite generation, storage, and LED lighting initiatives.

It is noted that the supply fuel mix will be taken into the procurement processes for energy with an active view on sourcing fully green electricity through certified and backed supply chain as well as bio-gas and carbon offsetting initiatives for natural gas supply.

#### Investment Policy

The Governing Council Members are empowered within the Memorandum and Articles of Association to invest any monies as authorised by law for the investment of trust monies in a manner they think fit. All investments have been acquired in accordance with the powers available to the Governing Council, of which the investment committee advise on the investment of School funds, including advance fee monies.

The investment portfolio is managed on a discretionary basis by Sarasin & Partners who were appointed in September 2019 following a formal tendering exercise. Since inception of the portfolio on 9 September 2019 up to 31 July 2020, the portfolio has achieved a total return of 6.4% versus the benchmark return of +0.9%. The portfolio benchmark is a composite benchmark which comprises of the following: ICE BofAML Sterling Corporate (7.5%), ICE BofAML UK Gilts All Stocks (7.5%), MSCI AC World ex UK (Local Currency) (GBP) (10%), MSCI AC World ex UK (Net Total Return) (40%), MSCI UK IMI (Net Return) GBP (20%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), UK cash LIBOR 1 Month (Total Return) (10%).

The investments aim to provide a sufficient income for today's beneficiaries while preserving the real

capital value for future generations. As a measure of performance, the long-term return target has been set at UK inflation (CPI) +4% over a 5 year rolling basis.

### **Principal Risks and Uncertainties**

The Directors continue to keep the School's activities under review and monitor performance.

**Evaluation of Risk.** The Risk Committee and the School Senior Management Team are heavily involved in assessing both the operational and strategic risks to the School. The School Risk Register is regularly reviewed and kept up to date by the Senior Management Team. Risks are then reviewed by the Risk Committee, a sub-committee of the School's Governing Council. In addition to reviewing the risks to the School from the executive team's perspective, the Risk Committee has a specific remit to examine and assess the possible impact of risks to the School from external sources. The Risk Committee meets three times per year. The Risk Register and the recommendations of the Risk Committee are reviewed annually by Governing Council and the Risk Committee reports to Governing Council prior to each board meeting.

**Strategic Planning.** The School Strategic Plan that is written by the Senior Management Team (SMT), and the School Development Plan that is derived from this, are reviewed to ensure that they are fit for purpose on a regular basis. Major strategic decisions are to be ratified by Governing Council (GC). This process ensures that all projects are assessed for risk and are not entered into without appropriate due diligence. Both financial and operational reporting is embedded within the working patterns of the School. Key Performance Indicators are used at all levels to aid with the process of identifying risks. Once identified, SMT and GC will together make decisions to mitigate those risks, calling upon professional expertise from external agencies if appropriate.

**Financial Planning.** The Finance Committee, in conjunction with the Director of Finance and Operations, is tasked with the development of financial models to counter each eventuality as circumstances dictate. These models are tested on a regular basis. The Vice-Chair of Council is Chair of the Finance Committee, with the work of the committee being reviewed by Governing Council.

**Maintenance of educational quality.** Educational excellence is at the heart of all that we do and the SMT is responsible for ensuring that this and the 'A Complete Education' programme are reflected in the School's strategic development plan. The SMT closely monitor the delivery of the educational offering in the academic, pastoral and co-curricular areas of the School. The School's success at achieving its educational aims and delivering its ethos is evaluated by both ISI and Governing Council supported by the Education Committee. Teaching standards are constantly under review within the School with the process being co-ordinated by the Senior Management Team. Pupil performance is regularly monitored with actions being taken to ensure that any issues are addressed. All staff are subject to an appraisal system to ensure that teaching and pastoral care remains at a high standard. Training is available to keep all staff up to date with current practice.

**Ensuring safeguarding of pupils.** The Governing Council reviews School policies relating to Safeguarding on a regular basis via the School Safeguarding and Pastoral Care sub-committee ensuring they are fit for purpose, are compliant and that they reflect School practice. The School Safeguarding and Pastoral Care sub-committee reports to the Governing Council on an annual basis with regular updates being provided when required. All staff are trained in Safeguarding upon arrival and throughout their time at the school on a three-year cycle with regular updates throughout the year.

**Health and Safety.** Health and Safety at the School is managed via the Health and Safety Committee. A risk assessment and management process is conducted at Estates Committee level and throughout

the School with regular reporting to Governing Council. This committee comprises of School officers and two members of the Governing Council and reports to Governing Council on a regular basis. In addition, there is an independent external Health and Safety audit of the School every two years.

The Directors consider that the major risks to which the School is currently exposed are:

1. **Covid 19.** Failure to correctly manage the impact of the Covid-19 pandemic will be the most significant risk to the School during this reporting period. This is likely to be the case for the short to medium and longer term. During the initial stages of the crisis, and in line with the School's Emergency and Disaster Policy, the School formed a Covid Response Group (CRG), consisting of members of Governing Council and the School executive, to provide a specific forum for decision making in response to the crisis. The CRG remains in place as planning the response for the Covid-19 pandemic moves from a short term operational to a longer-term strategic focus. As well as supporting the school in financial planning and management, the CRG provides a regular interface between the executive team and Governing Council for assistance with both short and longer term Covid planning.

Within the current reporting period, financial risk has been mitigated by a combination of use of the government's Furlough Scheme in combination with careful management of the School's operations. The School's financial planning strategy has for some years taken a cautious approach to generating a sufficient surplus to mitigate the impact of large scale, unforeseen events and School has been able to absorb the short-term financial effects of the pandemic.

To mitigate the risks to the School community, the School has adapted its working practices in both the academic and pastoral spheres so that the School is a safe environment to allow the return of all students and staff. Additionally, procedures have been put in place for dealing with outbreaks of the virus and to protect the School community. Though mitigating the risks to the health and welfare of all pupils and staff is by far the highest priority, it is also key to ensure that the financial risks to the School are reduced as far as is possible for the duration of the pandemic. Despite having these measures in place, however, there remains a high residual risk that the School will be impacted both operationally and financially in the year ahead by the virus.

The School has divided the possible risks to the School due to the longer term impact of the virus as follows:

- a. **High intensity of operations in Covid environment.** The School is currently operating at a very high intensity due to the nature of managing the risks associated with transmission and management of the virus. This has increased the demands on all staff and there is a general risk to staff wellbeing at all levels, requiring it to be carefully monitored and reserves put in place. The School has worked to recruit stand-by and replacement staff to ensure that there is sufficient capacity to meet the operational needs of the School. The School is also carefully monitoring staff well-being through the school management structure and via the Staff Wellbeing Committee, putting in place procedures to protect staff as required.
- b. **Long term impact on School operational capability.** Operationally, managing a school within the constraints of the crisis will place a high demand on staff as well as putting an additional burden on the School's finances. Any impact will be felt more keenly as the duration of the pandemic situation increases, particularly should there be another 'spike' in the levels of the virus over the coming year. The combined impact of these

factors might lead to a reduction in the capacity of the School to meet its educational aims. Planning to mitigate these effects is of the highest priority for the Senior Management Team.

- c. **Loss of Strategic Focus.** In line with the above, the uncertain duration of the crisis in combination with higher operational demands upon school leadership due to managing its effects, has increased the risk of the School becoming solely 'operationally focussed'. To mitigate this effect, the School executive, in conjunction with Governing Council will review progress against the School strategic aims on a regular basis.
2. **Economic and Political Risk.** The School has a robust system for assessing the effects of the changes in political and economic factors that may affect the operation of the School in the short, medium and longer term. Specific risk in this category are:
- a. **Post Covid economic effects.** The significant downturn in the economic situation both within the UK and worldwide has the potential to affect the quantity of students who are able to access education at the School. The Governing Council and Senior Management Team continue to carefully monitor the number of students entering the School as well as ensuring that there is scope for as broad a range of students to join the School as possible.
  - b. **Changes to the Teachers' Pension Scheme.** The School continues to evaluate the situation with regards to the changes with the Teacher's Pension Scheme. The Governing Council and Senior Management Team continue to work with the teaching staff, via a Pensions Committee, to assess the best possible options for the future.
  - c. **Brexit.** The overall economic and other impact of the end of the Brexit period, with or without an immediate trade deal, is not yet clear on the sector though the School remains prepared to absorb any short-term operational impact as well as factoring in possible longer-term impacts into its strategic planning.
  - d. **Imposition of business rates and VAT on schools within the Independent Sector.** This continues to be a risk to the School that is monitored by the leadership team.
  - e. **Loss of charitable status of schools in the Independent Sector.** The School continues to work hard to support the independent sector via its engagement with the HMC, BSA and the ISBA. The school takes its commitment to society seriously and makes a substantial contribution to charitable, partnership and outreach activities via its partnership with the John Wallis Academy, its work with the Kent Music School and through the School's Benenden Outreach and Community Programme.
  - f. **Geographical financial dependence.** A priority for the School is in ensuring that students from all parts of the globe and are able join the school community. Financially, the GC and SMT work to ensure that the risk for the School, due to the possibility of becoming dependent on one single market, is mitigated as far as possible.

### **Reference and Administrative Details**

Benenden School (Kent) Ltd is a limited company with charitable status. The Directors of the company, who are the Trustees of the charity, are the members of the Governing Council of Benenden School. The School's directors, advisers and key staff are set out on pages 43 to 44.

### **Structure, Governance and Management**

The Company was constituted on 13 March 1924. The Memorandum & Articles of Association have been amended over the years. The latest amendment was on 7 December 2018. The Company was granted Charitable Status in 1941.

The Nominations Committee is responsible for the recruitment of Governing Council members. Any prospective Governing Council Member must meet criteria set out by Governing Council including personal competence, specialist skills and availability. Nominations are discussed, and appointments made at Governing Council meetings. Induction is also organised by Governing Council together with the Headmistress and Director of Finance and Operations. Governing Council Members have access to AGBIS sponsored training workshops and other training as required.

The Governing Council Members determine the general policy of the School. Day to day management of the School is delegated to the Headmistress and the Director of Finance and Operations (who also serves as Company Secretary) with the Senior Management Team of the School.

The Charity has two wholly-owned non-charitable subsidiaries, Lime Avenue Sales and Services Limited (LASS Ltd) and Benenden International Limited (BIL), whose activities and trading performance are discussed in note 4 to the accounts.

The Benenden School Hong Kong Trust (the HKT) is independent of the School and the Governing Council, and no School shareholders are members of the HKT. Its objectives are to promote and provide for the advancement of education.

### **Policies Adopted for Setting Remuneration of Key Management Personnel**

The Remuneration Committee reviews the pay and remuneration of all staff including the Senior Management Team as detailed on page 44. Consideration when setting pay is given to role and responsibilities, competitor salaries in the region, average salary for comparable positions in the sector, market trends and sector benchmarking which has been supplemented by the employment of external experts to review both SMT and teacher pay scales.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors (who are also the trustees of the charitable company) are responsible for preparing the Report of the Governing Council and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

So far as each of the Directors is aware at the time the report is approved:

- a. there is no relevant audit information of which the charitable company and group's auditors are unaware; and
- b. the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

A resolution proposing the re-appointment of haysmacintyre as auditors will be submitted to the Annual General Meeting.

Report of the Governing Council, incorporating a Strategic Report, approved by the members of Governing Council on 3 December 2020 and signed on its behalf by



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Director  
Anna Birkett

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# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BENENDEN SCHOOL (KENT) LIMITED

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## Opinion

We have audited the financial statements of Benenden School (Kent) Limited for the year ended 31 July 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2020 and of the group's net movement in funds, including the 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 group 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.

## Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 17, the directors 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 directors 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 directors are responsible for assessing the group's and the parent 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 directors either intend to liquidate the group or the parent 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.

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

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

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

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

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Governing Council's Report (including the Review of the Year). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of Governing Council (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of Governing Council (which incorporates the strategic report and the directors' 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of Governing Council (which incorporates the strategic report and the directors' 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tracey Young (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

3 December 2020

**BENENDEN SCHOOL (KENT) LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 JULY 2020**

		Unrestricted Funds			Total	Total
	Notes	General Funds	Designated Funds	Restricted Funds	2020	2019
		£ '000	£ '000	£ '000	£ '000	£ '000
<b>INCOME FROM:</b>						
<b>Charitable activities</b>						
School fees	2	18,464	-	-	18,464	19,880
Ancillary trading income	3	1,516	-	-	1,516	1,867
<b>Other trading activities</b>						
Trading company	4	174	-	-	174	255
<b>Investment income</b>	5	13	20	7	40	161
<b>Voluntary sources</b>						
Grants and donations	6, 22	1,030	-	391	1,421	9,207
<b>Total Income</b>		<b>21,197</b>	<b>20</b>	<b>398</b>	<b>21,615</b>	<b>31,370</b>
<b>EXPENDITURE ON:</b>						
<b>Raising funds</b>						
Trading costs	4	160	-	-	160	214
Fundraising costs		262	-	-	262	325
Financing costs	8	361	1	-	362	156
Investment management		2	4	2	8	36
		785	5	2	792	731
<b>Charitable activities</b>						
Educational activities and grant making		18,559	-	174	18,733	19,250
<b>Total Expenditure</b>	7	<b>19,344</b>	<b>5</b>	<b>176</b>	<b>19,525</b>	<b>19,981</b>
<b>NET INCOME BEFORE TAX</b>		<b>1,853</b>	<b>15</b>	<b>222</b>	<b>2,090</b>	<b>11,389</b>
Taxation payable		15	-	-	15	1
<b>NET INCOME AFTER TAXATION BEFORE INVESTMENTS GAINS</b>		<b>1,838</b>	<b>15</b>	<b>222</b>	<b>2,075</b>	<b>11,388</b>
Investment gains	11	26	61	37	124	135
<b>NET INCOME AFTER TAXATION AND INVESTMENTS GAINS</b>		<b>1,864</b>	<b>76</b>	<b>259</b>	<b>2,199</b>	<b>11,523</b>
Transfers	18, 19	937	-	(937)	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>2,801</b>	<b>76</b>	<b>(678)</b>	<b>2,199</b>	<b>11,523</b>
Balance brought forward at 1 August 2019		40,353	2,932	4,791	48,076	36,553
Balance carried forward at 31 July 2020	17,18,19	43,154	3,008	4,113	50,275	48,076

The notes on pages 22 to 41 form part of these accounts. All amounts derive from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities. Comparative figures for unrestricted and restricted movements as shown in note 26.

	Notes	GROUP		CHARITY	
		2020 £ '000	2019 £ '000	2020 £ '000	2019 £ '000
<b>FIXED ASSETS</b>					
Tangible assets	10	50,184	44,454	50,097	44,365
Investments	11	5,951	5,483	5,951	5,483
Investment in subsidiaries	11	-	-	-	-
		<u>56,135</u>	<u>49,937</u>	<u>56,048</u>	<u>49,848</u>
<b>CURRENT ASSETS</b>					
Stock		191	179	38	55
Debtors: amounts falling due within one year	12	864	1,552	816	1,551
Cash at bank and in hand		5,580	4,653	5,488	4,653
		<u>6,635</u>	<u>6,384</u>	<u>6,342</u>	<u>6,259</u>
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(5,230)</u>	<u>(4,292)</u>	<u>(4,922)</u>	<u>(4,178)</u>
<b>NET CURRENT ASSETS</b>		<u>1,405</u>	<u>2,092</u>	<u>1,420</u>	<u>2,081</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>57,540</u>	<u>52,029</u>	<u>57,468</u>	<u>51,929</u>
<b>CREDITORS: amounts falling due after more than one year</b>	14	<u>(7,265)</u>	<u>(3,953)</u>	<u>(7,265)</u>	<u>(3,953)</u>
<b>NET ASSETS</b>		<u>50,275</u>	<u>48,076</u>	<u>50,203</u>	<u>47,976</u>
<b>FUNDS AND CAPITAL</b>					
Unrestricted Funds:	19				
- General		43,154	40,353	43,082	40,253
- Designated		3,008	2,932	3,008	2,932
Restricted Income Funds	18	4,113	4,791	4,113	4,791
Called up share capital	20	-	-	-	-
<b>TOTAL FUNDS</b>		<u>50,275</u>	<u>48,076</u>	<u>50,203</u>	<u>47,976</u>

The notes on pages 22 to 41 form part of these financial statements.

In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Benenden School (Kent) Ltd. The Charity income for the year was £21.4m (2019: £31.1m) with a surplus of £2.1m (2019: £11.3m).

The financial statements were approved and authorised for issue by the Governing Council on 3 December 2020 and signed on its behalf by:



.....  
Governing Council Member: Anna Birkett



.....  
Governing Council Member: Anne McNab

**BENENDEN SCHOOL (KENT) LIMITED  
CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JULY 2020**

	2020		2019	
	£ '000	£ '000	£ '000	£ '000
<b>Net cash flow from operations</b>				
Net movement in funds	2,199		11,523	
Depreciation charges (Note 10)	1,356		1,309	
Investment income	(40)		(161)	
Financing costs	362		231	
Investment managers charges	8		36	
Investment gains	(124)		(135)	
Transfer of assets from Trust	-		(6,067)	
Decrease/(increase) in debtors	688		(493)	
Increase in creditors (excluding fees in advance)	1,889		111	
(Increase) in stock	(12)		(14)	
(Decrease) in advanced fees	(657)		(643)	
<b>Net cash provided from operations</b>		5,669		5,697
<b>Net cash flow from investing activities</b>				
Investment income	40		161	
Investment managers fees	(8)		(36)	
Proceeds from sale of investments	3,377		2,457	
Purchase of investments	(3,721)		(2,736)	
Payments for tangible fixed assets	(7,086)		(3,329)	
<b>Net cash used investing activities</b>		(7,398)		(3,483)
<b>Cash flows from Financing</b>				
Cash inflows from new borrowing	2,955			
Financing costs	(362)		(231)	
Capital repayment of loans	-		(1,168)	
<b>Net cash used in financing activities</b>		2,593		(1,399)
<b>Increase in cash and cash equivalents</b>		<b>864</b>		<b>815</b>
<b>Cash and cash equivalents at beginning of the period</b>		4,569		3,754
<b>Cash and cash equivalents at the end of the period</b>		5,433		4,569

**ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2020	2019
	£ '000	£ '000
Cash in hand and at bank	5,240	4,255
Cash on deposit	341	398
Bank overdraft (subsidiary)	(147)	(84)
	5,433	4,569

**BENENDEN SCHOOL (KENT) LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1 August 2019</b>	<b>Cash flows</b>	<b>Non-cash movements</b>	<b>At 31 July 2020</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Cash	4,255	(1,970)	2,955	5,240
Deposits	398	(57)	-	341
Bank overdraft (subsidiary)	(84)	(63)	-	(147)
	<u>4,569</u>	<u>(2,090)</u>	<u>2,955</u>	<u>5,434</u>
Loan: Greater than one year	-	-	(2,955)	(2,955)
	<u>4,569</u>	<u>(2,090)</u>	<u>-</u>	<u>2,479</u>

## **1. ACCOUNTING POLICIES**

### **Basis of preparation**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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) - Second Edition.

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

Having reviewed the funding facilities available and the impact of Covid-19 to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governing Council have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future, particularly during a period where there is much disruption as a result of the international spread of Covid-19.

The Governing Council consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements

These financial statements consolidate the results of the School and its wholly-owned subsidiaries; Lime Avenue Sales & Services Ltd (LASS Ltd) and Benenden International Ltd, on a line by line basis.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 13 March 1924 (company number: 00196353) and registered as a charity in 1941 (charity number: 307854).

### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, Directors are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the College's financial statements.

#### **1.1 Fees and similar earned income**

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

#### **1.2 Investment income**

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

**1. ACCOUNTING POLICIES (continued)**

**1.3 Donations, legacies, grants and other voluntary income**

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

Government grant income represents the total amount claimed from HMRC under the CJRS. The income is accounted for in the period in which the associated salary payments are made to furloughed staff.

**1.4 Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the Statement of Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the School and its subsidiaries are excluded from trading income and expenditure.

**1.5 Taxation**

Benenden School (Kent) is a registered charity and therefore, is not liable to income tax of corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. Income generated outside these charitable activities are liable to tax.

**1.6 Tangible fixed assets**

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £1,000 together with vehicles, furniture, machinery, ICT infrastructure and other equipment costing more than £300 are capitalised and carried in the balance sheet at historical cost. ICT equipment costs are written off as incurred.

Other expenditure on equipment incurred in the normal day-to-day running of the School and its subsidiary is charged to the Statement of Financial Activities as incurred.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal annual instalments over their expected useful economic lives as follows:

Freehold Property	- 2% on cost
Furniture and Equipment:	
- Furniture, Equipment and IT	- 33% on cost
- Motor Vehicles	- 33% on cost

No depreciation is provided on freehold land.

**1.7 Investments**

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets. Investments in subsidiaries are valued at cost less provision for impairment.

**1. ACCOUNTING POLICIES (continued)**

**1.8 Stock**

Stock represents goods for resale and is valued at the lower of cost and net realisable value.

**1.9 Fund accounting**

The charitable trust funds of the School are accounted for as unrestricted or restricted income in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

**Unrestricted** income belongs to the School's corporate reserves, spendable at the discretion of the Governing Council either to further the School's Objects or to benefit the School itself. Where the Governing Council decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Advance fee funds represent the excess assets over liabilities in the old Fees Safeguard Plan which will be used for bursaries.

The Clarke Will fund has been set aside primarily for the funding of bursaries.

**Restricted** funds represent amounts donated to the School for specific purposes such as funding building developments, scholarships, seniors' bursaries and prizes.

**1.10 Pension costs**

Retirement benefits to employees of the School are provided through two pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

(a) The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

(b) The TPT Retirement Solutions (formerly The Pensions Trust) Growth Plan Fund - The plan is a multi-employer scheme, partly money purchase and partly with defined benefits. It is not possible to identify the School's share of the underlying assets and liabilities and therefore as required by FRS102, the School accounts for the scheme as if it were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of the deficit contributions. Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability.

**1.11 Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**1.12 Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

**1.13 Hedging arrangements**

The School applies hedge accounting for transactions entered into to manage the cash flow exposures of borrowings.

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Changes in the fair values of derivatives designated as cash flow hedges, and which are effective, are recognised directly in other recognised gains and losses in the Statement of Financial Activities statement. Changes in fair values which are ineffective are recognised in financing costs within expenditure in the Statement of Financial Activities statement – in line with the hedge accounting treatment above.

Included within these financial statements is the fair value of an interest rate swap contract. The fair value of this interest rate swap is provided by the counterparty. However, the value of the swap is estimated based on the bank's projection of future libor rates and is therefore subject to the interest rate market.

<b>2. SCHOOL FEES</b>	<b>2020</b>	<b>2019</b>
	<b>£ '000</b>	<b>£ '000</b>
Fees receivable comprises		
Current fees	19,560	21,031
Less: Allowances, Scholarships and Bursaries	(1,272)	(1,301)
	<u>18,288</u>	<u>19,730</u>
Add: Amount from The Benenden School Trust	-	8
Amount from The Benenden School Hong Kong Trust	2	2
Bursaries and other awards paid for by restricted funds	174	140
	<u>18,464</u>	<u>19,880</u>

Scholarships, bursaries and other awards were paid to 123 pupils (2019: 137). Within this, means tested bursaries totalling £1,035,000 were paid to 36 pupils (2019: £998,000 to 37 pupils).

<b>3. ANCILLIARY TRADING INCOME</b>	<b>2020</b>	<b>2019</b>
	<b>£ '000</b>	<b>£ '000</b>
Fee income for extra subjects	980	1,089
Entrance and registration fees	69	57
Courses and sub-lettings	253	586
Other income	214	135
	<u>1,516</u>	<u>1,867</u>

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**4. INCOME FROM SUBSIDIARY'S TRADING ACTIVITIES**

The Charity owns the whole of the share capital of Lime Avenue Sales & Services Ltd (LASS Ltd), a company registered in the United Kingdom with number 1794097. LASS Ltd continued as the main trading arm of the School and operated the School retail shop, supplying staff, pupils, visitors and the School with a range of products on a continuing basis.

Its trading results for the year, as extracted from the audited accounts, are summarised below:

	<b>2020</b>	<b>2019</b>
	<b>£ '000</b>	<b>£ '000</b>
Turnover	201	309
Cost of Sales	(111)	(187)
Gross Profit	<u>90</u>	<u>122</u>
Administrative Expenses	(76)	(82)
Operating profit	<u>14</u>	<u>40</u>
Interest payable	(2)	(3)
Net profit	<u>12</u>	<u>37</u>
Corporation Tax	-	-
Profit after Tax	<u>12</u>	<u>37</u>
Retained profit brought forward	100	95
Profit after Tax	12	37
Gift aid under covenant	(40)	(32)
Retained profit carried forward	<u><u>72</u></u>	<u><u>100</u></u>

Turnover includes £27,000 (2019: £55,000) supplied to the School, which is an intercompany transfer excluded on consolidation and does not show in the Statement of Financial Activities. At 31 July 2020 there was a £nil balance owed from the School to LASS Ltd (2019: £nil).

Its balance sheet for the year, as extracted from the audited accounts, is summarised below:

	<b>2020</b>	<b>2019</b>
	<b>£ '000</b>	<b>£ '000</b>
Fixed assets	87	90
Current assets	156	125
Less current liabilities	(171)	(115)
<b>Net assets</b>	<u><u>72</u></u>	<u><u>100</u></u>
Called up share capital	-	-
Profit and loss account	<u>72</u>	<u>100</u>
	<u><u>72</u></u>	<u><u>100</u></u>

**BENENDEN SCHOOL (KENT) LIMITED**  
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**4. INCOME FROM SUBSIDIARY'S TRADING ACTIVITIES**

The Charity owns the whole of the share capital of Benenden International Ltd (BIL), a company registered in the United Kingdom with number 12166808. As mentioned under plans for future periods, BIL was set up to explore the options for business diversification.

Its balance sheet for the year, as extracted from the audited accounts, is summarised below:

	<b>2020</b>	<b>2019</b>
	<b>£ '000</b>	<b>£ '000</b>
Current assets	138	-
Less: current liabilities	(138)	-
<b>Net assets</b>	<b>-</b>	<b>-</b>

At 31 July 2020 there was a £nil balance owed from the School to Benenden International Ltd.

**5. INVESTMENT INCOME**

	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Equities	8	18	7	33
Fixed interest	5	2	-	7
	<u>13</u>	<u>20</u>	<u>7</u>	<u>40</u>

**COMPARATIVE INVESTMENT INCOME – 2019**

	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Equities	29	77	46	152
Fixed interest	4	5	-	9
	<u>33</u>	<u>82</u>	<u>46</u>	<u>161</u>

**6. GRANTS AND DONATIONS**

	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Government Grants	910	-	-	910
Other	120	-	391	511
	<u>1,030</u>	<u>-</u>	<u>391</u>	<u>1,421</u>

**COMPARATIVE GRANTS AND DONATIONS – 2019**

	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Benenden School Trust	6,043	-	346	6,389
Other	1	-	2,817	2,818
	<u>6,044</u>	<u>-</u>	<u>3,163</u>	<u>9,207</u>

Includes one off transfer of assets from Benenden School Trust as explained in the financial review

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**7. (a) ANALYSIS OF EXPENDITURE**

<b>EXPENDITURE</b>	<b>Staff Costs £ '000</b>	<b>Other £ '000</b>	<b>Depreciation £ '000</b>	<b>Total £ '000</b>
<b>Costs of raising funds:</b>				
Trading costs	62	95	3	160
Fundraising costs	192	70	-	262
Financing costs	288	74	-	362
Investment managers fees	-	8	-	8
<b>Total costs of raising funds</b>	<b>542</b>	<b>247</b>	<b>3</b>	<b>792</b>
<b>Charitable activities</b>				
Education:				
Teaching costs	7,268	295	-	7,563
Welfare costs	3,016	590	-	3,606
Premises costs	356	1,137	1,061	2,554
Support & governance costs	2,407	2,137	292	4,836
Grants, awards and prizes	-	174	-	174
<b>Total charitable expenditure</b>	<b>13,047</b>	<b>4,333</b>	<b>1,353</b>	<b>18,733</b>
<b>Total expenditure</b>	<b>13,589</b>	<b>4,580</b>	<b>1,356</b>	<b>19,525</b>

**7 (a) cont. COMPARATIVE ANALYSIS OF EXPENDITURE – 2019**

<b>EXPENDITURE</b>	<b>Staff Costs £ '000</b>	<b>Other £ '000</b>	<b>Depreciation £ '000</b>	<b>Total £ '000</b>
<b>Costs of raising funds:</b>				
Trading costs	68	143	3	214
Fundraising costs	112	213	-	325
Financing costs	-	156	-	156
Investment managers fees	-	36	-	36
<b>Total costs of raising funds</b>	<b>180</b>	<b>548</b>	<b>3</b>	<b>731</b>
<b>Charitable activities</b>				
Education:				
Teaching costs	7,562	534	-	8,096
Welfare costs	2,545	972	-	3,517
Premises costs	358	1,386	1,055	2,799
Support & governance costs	2,407	2,040	251	4,698
Grants, awards and prizes	-	140	-	140
<b>Total charitable expenditure</b>	<b>12,872</b>	<b>5,072</b>	<b>1,306</b>	<b>19,250</b>
<b>Total expenditure</b>	<b>13,052</b>	<b>5,620</b>	<b>1,309</b>	<b>19,981</b>

**BENENDEN SCHOOL (KENT) LIMITED**  
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<b>7 (b) GOVERNANCE INCLUDED IN SUPPORT COSTS</b>	<b>2020</b>	<b>2019</b>
	<b>£ '000</b>	<b>£ '000</b>
Remuneration paid to auditor for audit services	31	33
Remuneration paid to auditor for other services	4	4
Governors reimbursement of expenses - travel	3	7
Other governance costs	104	84
	<u>142</u>	<u>128</u>
Number of Governing Council members reimbursed for expenses in the year	6	6
<b>7. (c) MOVEMENT IN FUNDS</b>	<b>2020</b>	<b>2019</b>
	<b>£ '000</b>	<b>£ '000</b>
Group net movement in funds is stated after charging:		
Depreciation	1,356	1,309
Operating lease rentals		
- land and buildings	-	-
- other	76	67
	<u>76</u>	<u>67</u>
<b>7. (d) Grants, awards and prizes</b>	<b>2020</b>	<b>2019</b>
	<b>£ '000</b>	<b>£ '000</b>
<b>From restricted funds</b>		
Bursaries and other awards	174	140
	<u>174</u>	<u>140</u>
<b>8 FINANCING COSTS</b>	<b>2020</b>	<b>2019</b>
	<b>£ '000</b>	<b>£ '000</b>
Fees in advance debt financing	7	6
Loan interest and bank charges	67	150
Change in fair value of Interest rate swap	288	-
	<u>362</u>	<u>156</u>
<b>9. STAFF COSTS</b>	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
The average number employed by the company within each category of persons was:		
Teaching (including peripatetic teachers)	147	155
Welfare	35	34
Premises	13	13
Support	199	204
	<u>394</u>	<u>406</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
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**9. STAFF COSTS (continued)**

	<b>£ '000</b>	<b>£ '000</b>
The costs incurred in respect of these employees were:		
Wages and salaries	10,550	10,616
Social Security costs	1,085	1,061
Pension costs	1,667	1,375
Termination payment	30	-
	<u>13,332</u>	<u>13,052</u>

Aggregate employee costs of key management personnel	<u>817</u>	<u>890</u>
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	<b>No.</b>	<b>No.</b>
The number of higher paid employees was:		
Taxable emoluments band:		
£60,000 - £70,000	18	16
£70,000 - £80,000	4	6
£80,000 - £90,000	2	1
£90,000 - £100,000	2	2
£100,000 - £110,000	-	1
£130,000 - £140,000	-	1
£190,000 - £200,000	-	1
£200,000 - £210,000	1	-
	<u>1</u>	<u>-</u>
	=	

The number with retirement benefits accruing was:	<b>No.</b>	<b>No.</b>
In defined contributions schemes	5	5
In defined benefit schemes	22	23
	<u>27</u>	<u>28</u>

	<b>£ '000</b>	<b>£ '000</b>
In defined contributions schemes	40	42
In defined benefit schemes	364	275
	<u>404</u>	<u>317</u>

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**10. TANGIBLE FIXED ASSETS**

	Freehold property £'000	Furniture and equipment £'000	Assets Under construction £'000	Charity Total £'000	Subsidiary Property and equipment £'000	Group Total £'000
<b>COST</b>						
At 1 August 2019	52,748	1,196	3,726	57,670	139	57,809
Additions	317	317	6,452	7,086	-	7,086
Disposals	-	(429)	-	(429)	-	(429)
At 31 July 2020	53,065	1,084	10,178	64,327	139	64,466
<b>DEPRECIATION</b>						
At 1 August 2019	12,368	938	-	13,306	49	13,355
Charge for the year	1,061	292	-	1,353	3	1,356
On Disposals	-	(429)	-	(429)	-	(429)
At 31 July 2020	13,429	801	-	14,230	52	14,282
<b>NET BOOK VALUE</b>						
At 31 July 2020	39,636	283	10,178	50,097	87	50,184
At 31 July 2019	40,380	258	3,726	44,364	90	44,454

**11. INVESTMENTS**

	2020 £ '000	2019 £ '000
<b>Group and company</b>		
At Market Value		
At 1 August 2019	5,483	5,069
Additions	3,721	2,736
Disposals	(3,377)	(2,457)
Revaluations to closing or sale at Market Value	124	135
Balance at 31 July 2020	5,951	5,483
Listed	5,022	5,307
Historical cost	5,779	4,868

Included within the charity balance sheet is £3 investment in the subsidiary companies (see note 4).

Investments in individual entities are no longer used now the funds have moved to Sarasin, as they report as a Sarasin fund, and not individual investments.

All the above investments (other than the subsidiary company) are quoted on a recognised UK Stock Exchange or are valued by reference to investments listed on a recognised UK Stock Exchange.

**BENENDEN SCHOOL (KENT) LIMITED**  
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12. DEBTORS	Group		Charity	
	2020 £ '000	2019 £ '000	2020 £ '000	2019 £ '000
Fee debtors less refundable deposits	153	330	153	330
Other debtors	89	129	41	128
Prepayments and accrued income	622	1,093	622	1,093
	<u>864</u>	<u>1,552</u>	<u>816</u>	<u>1,551</u>
The bad debt expense for the period was	<u>0</u>	<u>122</u>	<u>0</u>	<u>122</u>
13. CREDITORS: amounts falling due within one year	Group		Charity	
	2020 £ '000	2019 £ '000	2020 £ '000	2019 £ '000
Bank overdraft	148	84	-	-
Trade creditors	1,600	1,122	1,588	1,110
Fees received in respect of Autumn Term	727	686	727	686
Social Security and Other Taxes	227	285	224	275
Pupil deposits	486	461	486	461
Pensions Trust creditor	115	115	115	115
Other creditors	265	168	121	160
Accruals and deferred income	1,093	507	1,092	507
Advance fees (see note 17)	569	864	569	864
	<u>5,230</u>	<u>4,292</u>	<u>4,922</u>	<u>4,178</u>
14. CREDITORS: amounts falling due after more than one year	Group		Charity	
	2020 £ '000	2019 £ '000	2020 £ '000	2019 £ '000
Pupils' deposits	3,367	2,821	3,367	2,821
Advance fees (see note 17)	540	902	540	902
Interest Rate Swap liability	288	-	288	-
Bank loan (see note 16)	2,955	-	2,955	-
Pensions Trust creditor	115	230	115	230
	<u>7,265</u>	<u>3,953</u>	<u>7,265</u>	<u>3,953</u>
15. BANK LOAN				
On 28 March 2019 the School entered into a Facility Agreement with HSBC relating to a Revolving Loan Facility of up to £15m converting to a Term Loan Facility. A hedging instrument was put in place in the form of an Interest Rate Swap. The loan interest is a floating rate but is fixed at 2.37% until 30 April 2029 through the swap on 75% of the expected loan drawdown.				
			2020 £ '000	2019 £ '000
After 5 years			2,600	-
Within 2 to 5 years			355	-
Within 1 to 2 years			-	-
			<u>2,955</u>	<u>-</u>
Within 1 year			-	-
			<u>2,955</u>	<u>-</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
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**16. ADVANCE FEES**

Under the School's fees in advance schemes, contributors may enter into a contract to pay to the School up to the equivalent of seven years' tuition fees in advance. The liability is valued at the balance sheet date, but has been allocated assuming that pupils will remain in the School for the normal duration:

	<b>2020</b>	<b>2019</b>
	<b>£ '000</b>	<b>£ '000</b>
After 5 years	-	-
Within 2 to 5 years	170	412
Within 1 to 2 years	370	490
	<u>540</u>	<u>902</u>
Within 1 year	569	864
	<u>1,109</u>	<u>1,766</u>

The movements during the year on the accrued liability under the contracts were:

Balance at 1 August 2019	1,766
New contracts	285
	<u>2,051</u>
Amounts utilised in payment of fees to the School:	942
	<u>(942)</u>
Capital repaid	-
	<u>1,109</u>

As disclosed on the consolidated and charity balance sheet, the funds relating to the Fees Safeguard Plan amount to £195,000 (2019: £398,000) with the corresponding liability totalling £44,000. The surplus on the scheme of £151,000 is shown in note 18 (2019: £149,000). The remaining liability of £1.07m is held within the unsecured fees in advance scheme.

**17. ALLOCATION OF THE GROUP'S NET ASSETS EXCLUDING SHARE CAPITAL**

	<b>Fixed Assets</b>	<b>Investments</b>	<b>Net current Assets/ (Liabilities)</b>	<b>Long term Liabilities</b>	<b>Fund Balances</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Unrestricted funds					
- Designated (Fees Safeguard Plan)	-	-	195	(44)	151
- Designated (Clarke Will)	-	2,857	-	-	2,857
- General	50,097	1,390	(1,184)	(7,221)	43,082
Restricted funds	-	1,704	2,409	-	4,113
	<u>50,097</u>	<u>5,951</u>	<u>1,420</u>	<u>(7,265)</u>	<u>50,203</u>
<b>Charity funds</b>	<b>50,097</b>	<b>5,951</b>	<b>1,420</b>	<b>(7,265)</b>	<b>50,203</b>
Subsidiary's reserves	87	-	(15)	-	72
<b>Group funds</b>	<u><b>50,184</b></u>	<u><b>5,951</b></u>	<u><b>1,405</b></u>	<u><b>(7,265)</b></u>	<u><b>50,275</b></u>

**BENENDEN SCHOOL (KENT) LIMITED**  
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**17. ALLOCATION OF THE GROUP'S NET ASSETS  
EXCLUDING SHARE CAPITAL – 2019**

	<b>Fixed Assets £ '000</b>	<b>Investments £ '000</b>	<b>Net current Assets/ (Liabilities) £ '000</b>	<b>Long term Liabilities £ '000</b>	<b>Fund Balances £ '000</b>
Unrestricted funds					
- Designated (Fees Safeguard Plan)	-	-	193	(44)	149
- Designated (Clarke Will)	-	2,783	-	-	2,783
- General	44,365	1,038	(1,241)	(3,909)	40,253
Restricted funds	-	1,662	3,129	-	4,791
<b>Charity funds</b>	<b>44,365</b>	<b>5,483</b>	<b>2,081</b>	<b>(3,953)</b>	<b>47,976</b>
Subsidiary's reserves	89	-	11	-	100
<b>Group funds</b>	<b>44,454</b>	<b>5,483</b>	<b>2,092</b>	<b>(3,953)</b>	<b>48,076</b>

**DESIGNATED FUNDS**

Designated funds comprise unrestricted funds that have been set aside by the Governing Council and consist of the retained surplus in the Fees Safeguard Plan and the Clarke Will Fund. The Fees Safeguard Plan fund represents the current surplus of assets of the Fees Safeguard Plan over its liabilities, whereas the Clarke Will fund has been set aside for the funding of bursaries.

**RESTRICTED FUNDS**

Restricted funds consist of those detailed in Note 19 and are held for the purpose of providing bursaries, scholarships and building work.

**18. RESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	<b>Balance at 1 August 2019 £ '000</b>	<b>Income £ '000</b>	<b>Investment Income £ '000</b>	<b>Expenditure £ '000</b>	<b>Investment Gains/(Losses) and Transfers £ '000</b>	<b>Balance at 31 July 2020 £ '000</b>
Restricted Funds:						
Restricted Income funds	175	66	2	(1)	4	246
Seniors Bursary Fund	606	2	-	(14)	13	607
Trust						
Scholarships	730	-	5	(2)	16	749
Sacha & Susannah Stephens' Bursary	71	-	-	-	2	73
Founders Memorial Scholarship Fund	28	-	-	-	1	29
Founders Memorial Event Fund	20	-	-	-	1	21
Hunt Memorial Concert Fund	34	-	-	-	-	34
Trust Award	109	13	-	(40)	-	82
Heart of Benenden Founders Schl'ship	2,747	298	-	-	(937)	2,108
	271	12	-	(119)	-	164
	<b>4,791</b>	<b>391</b>	<b>7</b>	<b>(176)</b>	<b>(900)</b>	<b>4,113</b>

**BENENDEN SCHOOL (KENT) LIMITED**  
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**FOR THE YEAR ENDED 31 JULY 2020 (continued)**

**2019 COMPARATIVE RESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 August 2018 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Investment Gains/(Losses) and Transfers £ '000	Balance at 31 July 2019 £ '000
Restricted Funds:						
Restricted Income funds	256	10	5	(101)	5	175
Seniors Bursary Fund	553	26	16	(4)	15	606
Trust Scholarships	697	-	20	(5)	18	730
Sacha & Susannah Stephens' Bursary	69	-	2	(1)	1	71
Founders Memorial Scholarship Fund	27	-	1	-	-	28
Founders Memorial Event Fund	19	-	1	-	-	20
Hunt Memorial Concert Fund	33	-	1	-	-	34
Trust Award	-	109	-	-	-	109
Heart of Benenden	-	2,747	-	-	-	2,747
Founders Schl'ship	-	271	-	-	-	271
	<u>1,654</u>	<u>3,163</u>	<u>46</u>	<u>(111)</u>	<u>39</u>	<u>4,791</u>

The restricted funds held in the Seniors Bursary Fund are held by the School as Trustee for the seniors.

**19. UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 August 2019 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Investment Gains/(Losses) And Transfers £ '000	Balance at 31 July 2020 £ '000
Designated funds:						
Advance fee payments	149	-	3	(1)	-	151
Clarke Will	2,783	-	17	(4)	61	2,857
General fund Reserves	40,253	21,010	13	(19,197)	1,003	43,082
	<u>43,185</u>	<u>21,010</u>	<u>33</u>	<u>(19,202)</u>	<u>1,064</u>	<u>46,090</u>
Charity Non-charitable trading funds	100	174	-	(162)	(40)	72
	<u>43,285</u>	<u>21,184</u>	<u>33</u>	<u>(19,364)</u>	<u>1,024</u>	<u>46,162</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020 (continued)**

**2019 COMPARATIVE UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 August 2018 £ '000	Income £ '000	Investment Income £ '000	Expenditure £ '000	Investment Gains/(Losses) And Transfers £ '000	Balance at 31 July 2019 £ '000
Designated funds:						
Advance fee payments	149	-	5	(5)	-	149
Clarke Will	2,652	-	77	(16)	70	2,783
General fund Reserves	32,003	27,791	33	(19,632)	58	40,253
	<u>34,804</u>	<u>27,791</u>	<u>115</u>	<u>(19,653)</u>	<u>128</u>	<u>43,185</u>
Charity Non-charitable trading funds	95	255	-	(218)	(32)	100
Group	<u>34,899</u>	<u>28,046</u>	<u>115</u>	<u>(19,871)</u>	<u>96</u>	<u>43,285</u>

**20. SHARE CAPITAL**

	2020 £	2019 £
<b>Authorised</b>		
10 Ordinary "B" Shares of £1 each	14	14
<b>Allotted, Issued and Fully Paid</b>		
10 Ordinary "B" Shares of £1 each	14	14

**21. FINANCIAL AND CAPITAL COMMITMENTS**

	2020 £ '000	Other 2019 £ '000
Operating leases that are subject to future minimum lease commitments are as follows:		

Within one year	79	89
In the second to fifth years	98	25
In more than five years	-	-

The capital commitment for the School Hall and Music School at 31 July 2020 is £8.6m (2019: £14m) for which the School has arranged an unsecured term facility with HSBC.

**22. RELATED PARTIES**

**LIME AVENUE SALES & SERVICES LTD – LASS Ltd**

The directors of LASS Ltd, as indicated under Governing Council and Officers on page 42, are members of Governing Council and SMT. During the year ended 31 July 2020 the company's turnover included £27,000 (2019: £54,000) from supplies to Benenden School (Kent) Ltd. LASS Ltd also made a donation of £40,000 under gift aid to the charitable company. At the year-end, a balance of £nil (2019: £nil) was owed to Benenden School (Kent) Ltd.

**BENENDEN INTERNATIONAL LTD**

Several members of Governing Council and SMT also served in the year as directors of BIL, as indicated under Governing Council and Officers details. There was no trade between the School and BIL during the year.

## **22. RELATED PARTIES (continued)**

Subsequent to the year-end Benenden School, a company registered in the United Kingdom with number 11352204, became a wholly owned subsidiary of the Charity.

No Governing Council members received any remuneration. During the year, four (2019: four) Governing Council members had children at the School. No Governing Council member received money (2019: No member) for services supplied to the School.

During the year, the School obtained within its general insurance, professional indemnity and governors liability insurance cover of £5m (2019: £5m), the cost of which cannot be split.

## **23. PENSION SCHEMES**

Retirement benefits to employees of the School are provided through two defined benefit schemes which are funded by the School's and employees' contributions.

### **Teachers' Pension Scheme**

The School participates in the statutory Teachers' Pension Scheme ("the TPS"), for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1.8m (2019: £1.5m) and at the year-end £151,000 (2019 - £124,000) was accrued in respect of contributions to this scheme.

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

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

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019, the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020 and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

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

**BENENDEN SCHOOL (KENT) LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020 (continued)**

**Teachers Pension Scheme (continued)**

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

**TPT Retirement Solutions' Growth Plan**

Non-teaching staff are eligible to contribute to TPT Retirement Solutions' (formerly The Pensions Trust) Growth Plan. The plan is a multi-employer scheme, partly money purchase and partly with defined benefits. The School contributes at a rate between 3% and 11% of gross pensionable salary, together with an additional premium to meet an underfunded liability as advised by TPT Retirement Solutions. The multi-employer scheme structure enables sponsors to pool costs and access a wider range of support, administration, and investment services than most could reasonably afford alone. However, the multi-employer structure does come with risk and managing this is an important element of the TPT Committee's remit. Despite the financial controls preventing weaker employers from building up new liabilities, it is possible that an employer may become insolvent and be unable to meet the full cost of settling its liabilities. If so, those 'orphan' liabilities, as they are known are shared amongst the remaining employers. The scheme has a mix of different sized employers with a wide spread of the share of liability. Of the 472 employers, over 95% have less than a 1% share of the liabilities. The largest individual employer share is 2.7%. Therefore, if an employer in the Scheme became insolvent, the impact on the remaining employers is relatively low. If the school were to leave the scheme it would have a liability to it. At 30 September 2019 this liability would have been £1.98m (2018: £1.85m). There is no plan to leave the scheme, so this contingent liability has not been provided for in the accounts. However, the School has currently earmarked an amount of £1.4m against this possible liability.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme. The School is committed to deficit repayments in relation to The Pensions Trust Growth plan of £115k per annum over a period of 10 years from 1 April 2013, indexed at 3% per annum. In line with the requirements of FRS 102, a liability of £231,000 (2019: £346,000) has been recognised in relation to this.

Both Schemes permit staff to make additional voluntary contributions.

	<b>2020</b>	<b>2019</b>
	<b>£ '000</b>	<b>£ '000</b>
Total contributions incurred during the year were:		
Teaching staff	1,205	904
Non-teaching staff	475	470
	<u>1,680</u>	<u>1,374</u>

**BENENDEN SCHOOL (KENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020 (continued)**

**24. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES - 2019**

	Unrestricted Funds		Restricted Funds	Total 2019
	General Funds	Designated Funds	Funds	
	£ '000	£ '000	£ '000	£ '000
<b>INCOME FROM:</b>				
<b>Charitable activities</b>				
School fees	19,880	-	-	19,880
Ancillary trading income	1,867	-	-	1,867
<b>Other trading activities</b>				
Trading company	255	-	-	255
<b>Investment income</b>	33	82	46	161
<b>Voluntary sources</b>				
Grants and donations	6,044	-	3,163	9,207
<b>Total Income</b>	<b>28,079</b>	<b>82</b>	<b>3,209</b>	<b>31,370</b>
<b>EXPENDITURE ON:</b>				
<b>Raising funds</b>				
Trading costs	214	-	-	214
Fundraising costs	325	-	-	325
Financing costs	153	3	-	156
Investment management	7	18	11	36
	699	21	11	731
<b>Charitable activities</b>				
Educational activities and grant making	19,150	-	100	19,250
<b>Total Expenditure</b>	<b>19,849</b>	<b>21</b>	<b>111</b>	<b>19,981</b>
<b>NET INCOME BEFORE TAX</b>	<b>8,230</b>	<b>61</b>	<b>3,098</b>	<b>11,389</b>
Taxation payable	1	-	-	1
<b>NET INCOME AFTER TAXATION BEFORE INVESTMENT GAINS</b>	<b>8,229</b>	<b>61</b>	<b>3,098</b>	<b>11,388</b>
Investment gains	26	70	39	135
<b>NET MOVEMENT IN FUNDS</b>	<b>8,255</b>	<b>131</b>	<b>3,137</b>	<b>11,523</b>
Balance brought forward at 1 August 2018	32,098	2,801	1,654	36,553
Balance carried forward at 31 July 2019	40,353	2,932	4,791	40,076

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## Governing Council and Officers

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Benenden School (Kent) Ltd is a limited company with charitable status. The Directors of the company, who are the Trustees of the charity, are the members of the Governing Council of Benenden School. Those who served during the year and subsequently were:

The Hon Mrs J S Birkett	1, 7, 13, 20,21
Mrs W M Carey (resigned 18 June 2020)	10, 12
Ms A J Clarke~	8, 16,22
Dr F E Cornish	10
Mrs D Coslett	12,19
Dr R W Evenett~	3, 9, 15
Ms L Gallagher	4
Mrs M MacDonald	11
Mrs A McNab*~	2, 5, 16, 17,22
J A McParland (resigned 18 June 2020)	12, 17
C G Nicolle (deceased October 2020)	13
J P Pearce~	6, 17
G St A Pugh	14, 16,22
P A Simpkin	14,22
S S Smart (resigned 31 August 2019, remains a co-opted committee member)~	14,17,22
Prof L C Taub	12, 18

Governing Council Members are appointed by the Governing Council for a term of four years. They can be re-elected or retire by rotation. There are no nominated Governing Council Members.

Denotes (as at 3 December 2020):

- |                                      |  |
|--------------------------------------|--|
| 1. Chair of Governing Council        | 12. Member of Education Committee        |
| 2. Deputy Chair of Governing Council | 13. Member of Estates Committee          |
| 3. Chair of Education Committee      | 14. Member of Finance Committee          |
| 4. Chair of Estates Committee        | 15. Member of Investment Committee       |
| 5. Chair of Finance Committee        | 16. Member of Nominations Committee      |
| 6. Chair of Investment Committee     | 17. Member of Remuneration Committee     |
| 7. Chair of Nominations Committee    | 18. Member of Risk Committee             |
| 8. Chair of Remuneration Committee   | 19. Member of Safeguarding Committee     |
| 9. Chair of Risk Committee           | 20. Member of Development Board          |
| 10. Chair of Safeguarding Committee  | 21. Chair of Coronavirus Response Group  |
| 11. Chair of Development Board       | 22. Member of Coronavirus Response Group |

\* Director of LASS Ltd

~ Director of BIL

### SHAREHOLDERS

The School is owned by holders of "B" shares; there are no "A" shareholders. The list of shareholders is the same as the list of Governing Council members shown above.

No payment was made to any Directors for their services as Members of the Board of Governing

Council Members. They were reimbursed expenses directly incurred on School business.

## **OFFICERS**

Headmistress	Mrs S Price
Director of Finance and Operations	Mr M C Lander* (resigned 30 September 2019)
Director of Finance and Operations	Mrs J E Lerbech (appointed 3 August 2020)
Further members of the Senior Management Team	Mr M J L Commander ~
	Mrs A Harber (appointed 1 September 2019)
	Mr K A Johnson
	Mr S T Miller (appointed 1 September 2019)
	Mr I G Read (appointed 1 September 2019)
	Miss A Steven (resigned 31 August 2019)
	Mrs L Tyler
	Mrs A Wakefield (appointed 1 September 2019)

There were interim Directors of Finance and Operations in the intervening period between Mr Lander leaving and Mrs Lerbech starting.

Address and Registered Office	Benenden School Cranbrook Kent TN17 4AA
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Company Number	196353
Charity Number	307854

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## **Advisers**

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Bankers	Coutts & Co. 440 Strand London WC2R 0QS
	HSBC UK Bank Plc 1 <sup>st</sup> Floor, First Point, Buckingham Gate London Gatwick Airport West Sussex RH6 0NT
Solicitors	Farrer & Co. 66 Lincoln's Inn Fields London WC2A 3LH
Auditors	Haysmacintyre LLP 10 Queen St Place London EC4R 1AG

Investment Advisers

HSBC Global Asset Management (to 31 August 2019)  
78 St James's Street  
London SW1A 1HL

Investment Advisers cont'd

Sarasin & Partners LLP (appointed 1 September 2019)  
Juxon House  
100 St Paul's Churchyard  
London EC4M 8BU

Insurance Brokers

Marsh Brokers Ltd  
Education Practice  
Capital House  
1-5 Perrymount Road  
Haywards Heath  
West Sussex RH16 3SY



BENENDEN