BABINGTON HOUSE SCHOOL LTD

England & Wales · Charity number 307914

Details

Status	Registered
Legal form	Charitable company
Company number	00610514
Registered	1963-07-24
Register	View on the Charity Commission register

Contact

Address	Babington House School Grange Drive Chislehurst Kent BR7 5ES
Phone	01689829938
Email	enquiries@babingtonhouse.com
Website	www.babingtonhouse.com

Activities

Objects: The objects of the Charity are to advance education for the public benefit by:1. establishing and maintaining an independent school for the education of boys and girls; and2. establishing or acquiring as a going concern, or carrying on or managing elsewhere, any subsidiary, affiliated or other schools.

Activities: Education Provision

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

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Geography

- **Area of benefit:** THE CATCHMENT AREA OF THE SCHOOL
- Bromley
- Kent

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£8,514,643	£7,952,193	£7,809,462	143
2024-08-31	£8,035,450	£7,276,240	£7,263,106	125
2023-08-31	£7,113,793	£6,371,703	£6,503,896	125
2022-08-31	£6,130,389	£5,607,537	£5,761,806	110
2021-08-31	£5,557,884	£5,381,398	£5,238,954	115
2020-08-31	£5,162,647	£4,688,479	£5,062,468	109

Trustees

Name	Role	Appointed
CHRISTOPHER LLOYD TURNER	Chair	
Benjamin Roberts		2021-11-04
Geoffrey Sotchbrook		2022-03-10
Hayley Porter-Aslet		2017-09-21
James Frankish		2022-03-10
Kathryn Paterson		2025-11-21
William Magill		2018-05-03

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BABINGTON HOUSE SCHOOL LTD

England & Wales - Charity number 307914

Accounts

Registered number: 00610514
Charity number: 307914

Babington House School Limited

(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 August 2025

Babington House School Limited
(A company limited by guarantee)

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Babington House School Limited

(A company limited by guarantee)

Reference and administrative details of the charitable company, its Trustees and advisers
For the year ended 31 August 2025

Trustees	Mr C Turner Mr W Magill Ms H Porter-Aslet Mr J Frankish Mr M Hannibal (resigned 24 July 2025) Mrs E Channon (resigned 24 November 2025) Mr G Scotchbrook Mr B Roberts Ms K Paterson (appointed 21 November 2025)
Company registered number	00610514
Charity registered number	307914
Registered office	Babington House School Grange Drive Chislehurst Kent BR7 5ES
Independent auditors	Kreston Reeves Audit LLP Statutory Auditor Springfield House Springfield Road Horsham West Sussex RH12 2RG
Bankers	Lloyds Bank plc Edinburgh BX2 1LB

Babington House School Limited

(A company limited by guarantee)

Trustees' report
For the year ended 31 August 2025

The Trustees present their annual report together with the audited financial statements of the charitable company for the year 1 September 2024 to 31 August 2025. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Directors confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Vision:
Inspire. Challenge. Nurture.

Mission:
The School knows each child as an individual, fostering a sense of belonging within a supportive, diverse community. Building on traditional foundations, we seek opportunities that go beyond the ordinary, enabling us all to achieve success in an ever-changing world.

a. Policies and objectives

The object of the Company is the provision of education and associated facilities.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

The School's aims are set out in its Mission Statement.

c. Activities undertaken to achieve objectives

In practice the objectives are achieved via the provision of co-educational day schooling for pupils from 3 years old until 18.

d. Social investment policies

Although Babington House is primarily a fee paying school, a number of scholarship awards are available to talented and bursary awards to disadvantaged children from the local community. The number of scholarship and bursary places is currently 36 (2024: 48) and scholarships and bursary provision paid for from School funds during the year under report amounted to £210,110 (2024: £299,411).

We are also very proud that the school offers a small number of full scholarships to Sixth Form pupils who had previously attended large state schools in under deprived areas of SE London. These pupils join our community and make the most of the opportunities here, helping to create a vibrant and diverse community.

e. Facilities

There have been several refurbishment projects over the summer holiday with a refreshed entrance, headteachers office and Marketing & Admissions Suite. A new ICT suite has also been provided with 2 Year 1 classrooms being refurbished using natural materials which research shows has a beneficial impact on learning. As the school demographic shifts, the focus in the next 5 years is on enhancing the curriculum and providing more specialist spaces for learning.

Trustees' report (continued)
For the year ended 31 August 2025

Strategic report

Achievements and performance

a. Main achievements of the charitable company

The school is one of the highest achieving schools in the London Borough of Bromley. The Board will seek to ensure that educational standards are upheld in line with the Mission Statement so that this position is maintained.

b. Key performance indicators

Though the school does not, of course, measure its success solely in terms of the academic performance of its pupils, the Board is pleased to report that this year's A Level and GCSE examinations results published in 2025 were remarkable and well above National averages.

GCSE Results 2025

Year	9 to 7	9 to 5	9 to 4
Four Year Average 2021 to 2025	47%	89%	96%

Babington House students achieved a fantastic array of GCSE results in 2025, successfully securing Sixth Form places to study both academic and creative subjects at A Level. In Mathematics, Business, History, Physics and MFL subjects, over 50% of students were awarded the highest 9-7 grades. In History and Physics, 57% of grades were awarded 9-7, whilst in Business Studies 64% of students achieved these top grades. Students taking German GCSE achieved 100% 9-7 grades whilst in Spanish a fantastic 57% of students also celebrated these highest grades. In Mathematics, our Year 11 students were awarded 52% the top 9-7 grades and those students that took Further Maths GCSE achieved a fantastic 57% in 9-7 grades.

A Level Results 2025

Year	A*-A	A*-B	A*-C	A*-D
Four Year Average 2021 – 2025	41%	66%	83%	96%

In 2025 Babington House Sixth Form students achieved a wealth of outstanding A Level results, securing top university places at a range of Russell Group Universities. Students studying English Literature produced a set of fantastic A Level results, with 75% of students achieving the highest A* and A grades, whilst in Mathematics 67% of students also achieved A* and A grades. In the creative subjects, our first cohort of A Level Fine Art students achieved an outstanding 67% A*-A grades with A Level Textiles students securing 100% of the highest grades. All our students successfully secured places at University to study a wide range of subjects reflecting their unique interests and talents. Our 2025 destinations include a range of Russell Group Universities including Manchester, Sheffield, Southampton, Cardiff, and for one of our students with a particularly creative flair, a place at the University for the Creative Arts. Our students have chosen a fantastic array of degree subjects to study including Medicine, Law, Engineering with a Placement Year, Banking and International Finance with a Professional Placement, Economics, Forensic Psychology, Business Management, Electrical and Electronic Engineering and History.

Strategic report (continued)

Achievements and performance (continued)

c. Review of activities

Charities and community work

The school raises a considerable amount for various charities through its fundraising initiatives. These include; Bromley Food Bank, St Christopher's Hospice, Bromley Homeless Charity, and Bromley Brighter Beginnings. The School also has a weekly group that participate in the community group at the local train station, Friends of Elmstead Woods, as well as a group of students that regularly visit a local care home.

Educational Trips and Outings

We have trips to the New Forest, Sayers Croft, Bore Place, Hindleap Warren and the regular ski trip to the Italian Alps.

Drama Sport and co-curricular

We enjoy a lot of competitive sport, Under 14 and Under 16 levels. We have represented Kent the SE Region for Swimming and Athletics. We have rock climbing and bouldering facilities on site, and we compete very well against other schools in our football too. This year has seen the introduction of a Ski Race Team, with some students qualifying for the Schools' National Championships. The carol services and prize giving award ceremonies are always very well received by parents. We have enjoyed World Book Week and range of other cross curricular initiatives. The very well-produced whole school drama production of DNA was enjoyed by all.

d. Factors relevant to achieve objectives

The school aims to enable its students to meet the challenges of the 21st Century and to create a learning environment which caters for the needs of each individual and promotes active learning and individual success.

The School was last inspected November 2023 in which the School was judged to have met all of the ISI criteria.

The School continues to encourage its pupils to develop a sense of social responsibility and an understanding of the plight of others less fortunate than themselves. Fund raising schemes have enabled pupils to raise funds for nominated charities and good causes, and in so doing learn more about the activities of the charities and causes in question. The school have a very active PTA (BHFSA) who also support the school in raising funds.

e. Fundraising activities and income generation

The School has had funds donated to it by the Babington House School Friends Association which is a voluntary group of parents who meet to organise social events to raise money for the School. Meetings are attended by members of the Senior Leadership Team. The charitable objectives of the BHSFA are as follows:

- To advance the education of pupils in the school in particular by developing effective relationships between the staff, parents and others associated with the school.
- Engaging in activities or providing facilities or equipment which support the school and advance the education of the pupils.

No complaints have been received in respect of fund-raising activities.

Strategic report (continued)

Achievements and performance (continued)

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

Reserves are held by the School to cope with unexpected events such as falls in income or exceptional items of expenditure. This is important to ensure the School has sufficient reserves while it takes remedial action if necessary, thereby creating stability.

Total funds for the charity at 31 August 2025 amounted to £7,809,462 (2024: £7,263,106). Restricted funds of the charity at 31 August 2025 were £nil (2024: £nil).

Unrestricted funds of the charity at 31 August 2025 were £7,809,462 (2024: £7,263,106), however this includes tangible fixed assets of £8,930,775 (2024: £8,951,780) and a mortgage debt attached to the property of £1,695,193 (2024: £2,132,180). Free reserves, excluding any secured balances, amounted to £573,880 (2024: £6,519).

There is no future cash flow associated with the receipt of advance fees. This along with the preparation of detailed budgets showing a positive cash flow enables the Trustees to conclude that there is no material uncertainty relating to going concern in this regard. Trustees aim to maintain at least three months of operational costs as cash balances which at 31 August 2025 would amount to £1,992,072 (2024: £1,819,073) compared with the actual cash balance of £2,258,546 (2024: £2,221,282).

c. Principal risks and uncertainties

In consultation with key management the Directors continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. It monitors the effectiveness of the system of internal control and other viable means, including insurance cover where appropriate, by which those risks already identified can be best mitigated. The Directors, Senior Leadership Team and all staff work hard to ensure the school maintains its high quality and holds firm to its core values. They also strive to make sure there is a whole school appreciation of the importance of pupil recruitment. There is also a culture of embracing change and diversification, where this is set to improve the school, such as;

1. Selectivity and academic drive in general and the introduction of an 11+ entrance test.

2. The school sets its own educational direction, tactics and strategic direction and is courageous in maintaining an outstanding provision which is professionally determined and rigorously maintained.

d. Principal funding

The principal funding source to enable the School to operate in its normal course of business remains the fees paid by parents. The School does not have any endowments.

Trustees' report (continued)
For the year ended 31 August 2025

e. Review of the year

During the year under review the School recorded a surplus of income over expenditure of £546,356 (2024: £759,210).

During the year there was a material write off of assets under construction, resulting in a loss on write off of £320,049. The school engaged a project management company and architects in 2021 to devise a master plan which had 2 phases. The first phase was a standalone classroom which was completed in 2021 and the second phase was a large building project valued at £5.2m. Project management, architects, survey fees etc were paid up to planning application stage. There was no indication the planning would be refused so the school continued to invest in the project. The planning permission was eventually denied and the subsequent appeal was rejected. This amount written off represents the expenditure on the project to date.

Structure, governance and management

a. Constitution

Babington House School Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Methods of appointment or election of Trustees

New Directors are recruited by approaching individuals whose area of expertise is considered will help the school pursue its endeavours. The school also seeks the active involvement of parents. After meeting existing Directors under the guidance of the Chairman, applicants are either accepted or rejected. Suitable induction training is arranged.

c. Organisational structure and decision-making policies

The Directors, with the help of the Headteacher, are responsible for the overall direction of the school. The running of the school is the responsibility of the Headteacher, with the help of his Senior Leadership Team.

d. Policies adopted for the induction and training of Trustees

Suitable induction training is arranged for each new Director appointed.

e. Pay policy for key management personnel

The Headteacher's pay and remuneration is set by the Chairman of the Governors, other Governors and advisors following appraisal. The rest of the Senior Leadership Team have their pay and remuneration recommended to the Pay Committee by the Headteacher following appraisals.

f. Related party relationships

There are relationships with some of the Directors who have children in attendance at the school. School fees are charged to these Directors in line with all pupils on an arm's length basis.

g. Financial risk management

The Trustees have assessed the major risks to which the charitable company is exposed, in particular those related to the operations and finances of the charitable company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Trustees' report (continued)
For the year ended 31 August 2025

Plans for future periods

The School looks to achieve a full Roll and has two form entry from Reception class through to Year 11.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

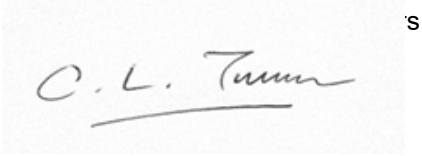
- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The Trustees have appointed Kreston Reeves Audit LLP as auditor for the year ending 31st August 2025.

The auditors, Kreston Reeves Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

's of the board of Trustees and signed on their behalf by:



Mr C Turner
Trustee
Date:

Independent auditors' report to the Members of Babington House School Limited

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent auditors' report to the Members of Babington House School Limited (continued)

Other information

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

We have nothing to report in this regard.

Opinion 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 Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the Members of Babington House School Limited (continued)

Auditors' 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 Auditors' 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:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to safeguarding, health and safety, employment law, general data protection regulations and anti-bribery. 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 SORP (FRS 102) Second Edition (released October 2019), the Companies Act 2006 and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and 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 management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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.

Independent auditors' report to the Members of Babington House School Limited (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Graham Hunt BA FCA (Senior statutory auditor)
for and on behalf of
Kreston Reeves Audit LLP
Statutory Auditor
Horsham

Date:

Babington House School Limited

(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 August 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	3	**32,723**	**100,506**	**133,229**	7,102
Charitable activities	4	**8,311,205**	**-**	**8,311,205**	8,139,048
Investments	5	**70,209**	**-**	**70,209**	66,763
Total income		**8,414,137**	**100,506**	**8,514,643**	8,212,913
Expenditure on:					
Charitable activities	6	**7,632,144**	**16,094**	**7,648,238**	7,453,756
Other expenditure	7	**320,049**	**-**	**320,049**	(53)
Total expenditure		**7,952,193**	**16,094**	**7,968,287**	7,453,703
Net income		**461,944**	**84,412**	**546,356**	759,210
Transfers between funds	17	**84,412**	**(84,412)**	**-**	-
Net movement in funds	9	**546,356**	**-**	**546,356**	759,210
Reconciliation of funds:					
Total funds brought forward	17	**7,263,106**	**-**	**7,263,106**	6,503,896
Net movement in funds		**546,356**	**-**	**546,356**	759,210
Total funds carried forward	17	**7,809,462**	**-**	**7,809,462**	7,263,106

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

The notes on pages 15 to 31 form part of these financial statements.

Babington House School Limited

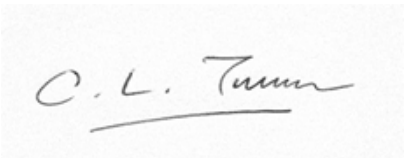
(A company limited by guarantee)
Registered number: 00610514

Balance sheet
As at 31 August 2025

	Note		2025 £		2024 £
Fixed assets					
Tangible assets	13		**8,930,775**		8,951,780
			8,930,775		8,951,780
Current assets					
Debtors	14	**304,906**		190,016	
Cash at bank and in hand	21	**2,258,546**		2,221,282	
		2,563,452		2,411,298	
Creditors: amounts falling due within one year	15	**(1,998,445)**		(1,748,081)	
Net current assets			**565,007**		663,217
Total assets less current liabilities			**9,495,782**		9,614,997
Creditors: amounts falling due after more than one year	16		**(1,686,320)**		(2,351,891)
Total net assets			**7,809,462**		7,263,106
Charity funds					
Designated funds	17	**-**		2,654,181	
General funds	17	**7,809,462**		4,608,925	
Total unrestricted funds	17		**7,809,462**		7,263,106
Total funds			**7,809,462**		7,263,106

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Mr C Turner
Trustee
Date:

The notes on pages 15 to 31 form part of these financial statements.

Babington House School Limited
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 August 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	20	**1,073,198**	1,936,498
Cash flows from investing activities			
Dividends, interest and rents from investments		**70,209**	66,763
Proceeds from the sale of tangible fixed assets		**-**	4,962
Purchase of tangible fixed assets		**(599,148)**	(635,852)
Net cash used in investing activities		**(528,939)**	**(564,127)**
Cash flows from financing activities			
Repayments of borrowing		**(436,987)**	(236,807)
Interest paid		**(70,008)**	(91,150)
Net cash used in financing activities		**(506,995)**	**(327,957)**
Change in cash and cash equivalents in the year		**37,264**	**1,044,414**
Cash and cash equivalents at the beginning of the year	21	**2,221,282**	1,176,868
Cash and cash equivalents at the end of the year	21	**2,258,546**	2,221,282

The notes on pages 15 to 31 form part of these financial statements

Notes to the financial statements
For the year ended 31 August 2025

1. General information

Babington House School Limited is a charitable company limited by guarantee and registered in England and Wales, registration number 00610514, and registered charity number 307914. The registered office is Babington House School, Grange Drive, Chislehurst, Kent, BR7 5ES.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Babington House School Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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

School fees receivable are charges billed for services for the school year ended 31 August, less applicable discounts and bursaries, and are reported net of applicable VAT. Fees received for education for future years are carried forward as deferred income.

Investment income is recognised on receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to

2. Accounting policies (continued)

2.4 Expenditure (continued)

more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.
Expenditure on charitable activities is incurred on directly undertaking the activities which further the charitable company's objectives, as well as any associated support costs.

Any VAT which cannot be recovered is included within expenditure.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Land	- not depreciated
Freehold property	- 2% straight-line
Building enhancements	- 5% straight-line
Fixtures and fittings	- 25-33% straight-line
Computer equipment	- 33% straight-line

Assets under construction and certain additions to freehold land and buildings are not depreciated until they are brought into use.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

2.6 Impairment of fixed assets

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

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. Accounting policies (continued)

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Deposits are all classed as potentially repayable within one year.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.10 Financial instruments

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

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

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

Basic financial assets
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities
Basic financial liabilities, including creditors and bank loans are initially recognised at transaction-price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.10 Financial instruments (continued)

Derecognition of financial liabilities
Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

2.11 Employee benefits

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

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

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

2.13 Pensions

The charitable company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charitable company to the fund in respect of the year.

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Notes to the financial statements
For the year ended 31 August 2025

3. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	32,723	100,506	**133,229**	7,102
Total 2024	7,102	-	7,102	

4. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Net fees	7,996,028	**7,996,028**	7,707,079
Disbursements	136,784	**136,784**	333,725
Registration fees	24,250	**24,250**	20,700
Other income	154,143	**154,143**	77,544
	8,311,205	**8,311,205**	8,139,048
Total 2024	8,139,048	8,139,048	

	2025 £	2024 £
Net fees		
Gross fees	**8,496,453**	8,268,958
Bursaries and scholarships	**(212,524)**	(278,992)
Discounts	**(287,901)**	(282,887)
	7,996,028	7,707,079

Notes to the financial statements
For the year ended 31 August 2025

5. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Interest receivable	70,209	**70,209**	66,763
Total 2024	66,763	66,763	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Provision of education	7,632,144	16,094	**7,648,238**	7,453,756
Total 2024	7,453,756	-	7,453,756	

7. Other expenditure

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Loss/(gain) on disposal of fixed assets	320,049	**320,049**	(53)
Total 2024	(53)	(53)	

The loss on disposal of fixed assets during the year of £320,049 relates to the write off of assets under construction following the rejection by Bromley Council of the planning application and appeal.

Notes to the financial statements
For the year ended 31 August 2025

8. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Provision of education	4,231,851	3,416,387	**7,648,238**	7,453,756
Total 2024	4,117,974	3,335,782	7,453,756	

Analysis of direct costs

	Provision of education 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	3,953,455	**3,953,455**	3,731,213
Examination fees	23,261	**23,261**	21,073
Education requisites	128,704	**128,704**	117,963
School trips	29,878	**29,878**	179,992
Non-payroll staff costs	96,553	**96,553**	67,733
	4,231,851	**4,231,851**	4,117,974
Total 2024	4,117,974	4,117,974	

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Provision of education 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	1,369,885	**1,369,885**	1,133,462
Depreciation	300,104	**300,104**	333,747
Legal and professional fees	119,637	**119,637**	124,959
Advertising	81,621	**81,621**	94,070
Catering	384,322	**384,322**	356,055
Utility charges	72,212	**72,212**	78,574
Motor and travel costs	112,101	**112,101**	183,663
Printing, postage and stationery	36,938	**36,938**	85,814
Debt collection costs	13,886	**13,886**	16,545
Staff training and recruitment	57,209	**57,209**	72,729
Telephone	22,613	**22,613**	26,341
Computer costs	170,771	**170,771**	150,452
Bad debt cost	2,671	**2,671**	22,897
School activities	92,573	**92,573**	125,693
Premises	396,484	**396,484**	341,951
Insurance	47,272	**47,272**	44,320
Interest	70,008	**70,008**	91,150
Other	46,048	**46,048**	40,472
Charitable donations	120	**120**	108
Governance costs	19,912	**19,912**	12,780
	3,416,387	**3,416,387**	3,335,782
Total 2024	3,335,782	3,335,782	

Governance costs includes audit fees of £14,250 (2024 - £9,900) and non-audit fees of £2,500 (2024: £2,880). The non-audit fees for 2025 are payable to a fellow group entity of Kreston Reeves Audit LLP.

Notes to the financial statements
For the year ended 31 August 2025

9. Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	**14,250**	12,780
Depreciation of owned tangible fixed assets	**300,104**	333,747
Loss/(profit) on disposal of tangible fixed assets	**320,049**	(53)

10. Staff costs

	2025 £	2024 £
Wages and salaries	**4,150,654**	3,834,727
Social security costs	**463,906**	382,903
Contribution to defined contribution pension schemes	**708,780**	647,045
	5,323,340	4,864,675

The average number of persons employed by the charitable company during the year was as follows:

	2025 No.	2024 No.
Teaching staff	**54**	54
Classroom support	**70**	52
Administration	**19**	19
	143	125

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025 No.	2024 No.
In the band £60,001 - £70,000	**2**	3
In the band £80,001 - £90,000	**3**	3
In the band £110,001 - £120,000	**1**	-
In the band £130,001 - £140,000	**-**	1

The key management personnel of the charitable company comprise the Headmaster, Interim Headmaster (2025 only), Bursar, Head of Seniors, Head of Prep, Designated Safeguarding Lead, Director of Studies and Deputy Head of Prep. The total employee benefits including employer's national insurance and pension costs of the key management personnel were £732,359 (2024: £531,213).

Notes to the financial statements
For the year ended 31 August 2025

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year, no Trustee expenses have been incurred (2024 - £NIL).

12. Taxation

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

13. Tangible fixed assets

	Freehold land and buildings £	Assets under construction £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2024	**9,078,414**	**318,654**	**801,092**	**580,559**	**10,778,719**
Additions	**309,356**	**15,967**	**167,481**	**106,344**	**599,148**
Disposals	**-**	**(320,049)**	**-**	**-**	**(320,049)**
Transfers between classes	**14,572**	**(14,572)**	**-**	**-**	**-**
At 31 August 2025	**9,402,342**	**-**	**968,573**	**686,903**	**11,057,818**
Depreciation					
At 1 September 2024	**725,835**	**-**	**673,353**	**427,751**	**1,826,939**
Charge for the year	**136,877**	**-**	**61,156**	**102,071**	**300,104**
At 31 August 2025	**862,712**	**-**	**734,509**	**529,822**	**2,127,043**
Net book value					
At 31 August 2025	**8,539,630**	**-**	**234,064**	**157,081**	**8,930,775**
At 31 August 2024	8,352,579	318,654	127,739	152,808	8,951,780

Included in freehold land and buildings is freehold land at a deemed cost of £2,325,000 (2024 - £2,325,000), which is not depreciated.

Notes to the financial statements
For the year ended 31 August 2025

14. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	**73,084**	70,108
Other debtors	**170,819**	26,606
Prepayments and accrued income	**61,003**	93,302
	304,906	190,016

15. Creditors: Amounts falling due within one year

	2025 £	2024 £
Bank loans	**133,982**	127,133
Trade creditors	**227,112**	148,179
Other taxation and social security	**115,318**	88,131
Other creditors	**653,403**	480,443
Accruals and deferred income	**868,630**	904,195
	1,998,445	1,748,081

	2025 £	2024 £
Deferred income at 1 September 2024	**1,224,671**	359,129
Resources deferred during the year	**956,306**	1,185,371
Amounts released from previous periods	**(1,224,671)**	(319,829)
	956,306	1,224,671

Income has been deferred in respect of school fee income, extra-curricular activity income and school trip income received relating to future financial years.

16. Creditors: Amounts falling due after more than one year

	2025	2024
	£	£
Bank loans	**1,561,211**	2,005,047
Accruals and deferred income	**125,109**	346,844
	1,686,320	2,351,891

Included within the above are amounts falling due as follows:

	2025	2024
	£	£
Between one and two years		
Bank loans	**149,974**	159,914
Between two and five years		
Bank loans	**473,439**	539,327
Over five years		
Bank loans	**937,798**	1,305,806

The loan balance comprises one loan (2024: two loans) from Lloyds Bank plc.

The first loan was taken out in March 2021. The loan is secured by a legal charge over the freehold land and buildings and by a debenture over the assets of the charitable company. The loan is being repaid in monthly installments with interest charged at 3.45% for the first 60 months, then at 2.45% above the base rate for the remainder of the loan period. The loan is repayable over 15 years from the first drawdown.

The second loan was taken out in March 2021. The loan was secured by a legal charge over the freehold land and buildings and by debenture over the assets of the charitable company. The loan was being repaid in monthly installments with interest charged at 2.45% above the base rate, over a period of 168 months. The loan was fully repaid in the year.

Notes to the financial statements
For the year ended 31 August 2025

17. Statement of funds

Statement of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2025 £
Unrestricted funds					
Designated funds					
Building fund	**2,596,908**	**-**	**-**	**(2,596,908)**	**-**
Old Babingtonians	**57,273**	**-**	**-**	**(57,273)**	**-**
	2,654,181	**-**	**-**	**(2,654,181)**	**-**
General funds					
General funds	**4,608,925**	**8,414,137**	**(7,952,193)**	**2,738,593**	**7,809,462**
Total Unrestricted funds	**7,263,106**	**8,414,137**	**(7,952,193)**	**84,412**	**7,809,462**
Restricted funds					
BHSFA donations	**-**	**100,506**	**(16,094)**	**(84,412)**	**-**
Total of funds	**7,263,106**	**8,514,643**	**(7,968,287)**	**-**	**7,809,462**

Designated funds represent amount set aside for the upkeep and improvement of the school building.

At the year end, the designated funds were transferred to general funds as all amounts have been applied for their designated purpose and are now included within the cost of tangible fixed assets held as unrestricted funds.

Restricted funds represents monies received from Babington House School Fundraising Association (BHSFA) towards specific projects. Transfers out represent amounts spent on tangible fixed assets held as unrestricted funds.

Notes to the financial statements
For the year ended 31 August 2025

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2023 £	Income £	Expenditure £	Balance at 31 August 2024 £
Unrestricted funds				
Designated funds				
Building fund	2,596,908	-	-	2,596,908
Old Babingtonians	57,273	-	-	57,273
	2,654,181	-	-	2,654,181
General funds				
General funds	3,849,715	8,212,913	(7,453,703)	4,608,925
Total Unrestricted funds	6,503,896	8,212,913	(7,453,703)	7,263,106

18. Summary of funds

Summary of funds - current year

	Balance at 1 September 2024 £	**Income £**	**Expenditure £**	**Transfers in/out £**	**Balance at 31 August 2025 £**
Designated funds	**2,654,181**	**-**	**-**	**(2,654,181)**	**-**
General funds	**4,608,925**	**8,414,137**	**(7,952,193)**	**2,738,593**	**7,809,462**
Restricted funds	**-**	**100,506**	**(16,094)**	**(84,412)**	**-**
	7,263,106	**8,514,643**	**(7,968,287)**	**-**	**7,809,462**

18. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 September 2023 £	Income £	Expenditure £	Balance at 31 August 2024 £
Designated funds	2,654,181	-	-	2,654,181
General funds	3,849,715	8,212,913	(7,453,703)	4,608,925
	6,503,896	8,212,913	(7,453,703)	7,263,106

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	**Total funds 2025 £**
Tangible fixed assets	8,930,775	**8,930,775**
Current assets	2,563,452	**2,563,452**
Creditors due within one year	(1,998,445)	**(1,998,445)**
Creditors due in more than one year	(1,686,320)	**(1,686,320)**
Total	7,809,462	**7,809,462**

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	8,951,780	8,951,780
Current assets	2,411,298	2,411,298
Creditors due within one year	(1,748,081)	(1,748,081)
Creditors due in more than one year	(2,351,891)	(2,351,891)
Total	7,263,106	7,263,106

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	**546,356**	759,210
Adjustments for:		
Depreciation charges	**300,104**	333,747
Dividends, interest and rents from investments	**(70,209)**	(66,763)
Loss/(profit) on the sale of fixed assets	**320,049**	(53)
Decrease/(increase) in debtors	**(114,890)**	38,531
Increase/(decrease) in creditors	**290,128**	(84,866)
Increase/(decrease) in deferred income	**(268,348)**	865,542
Interest payable	**70,008**	91,150
Net cash provided by operating activities	**1,073,198**	1,936,498

21. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	**2,258,546**	2,221,282
Total cash and cash equivalents	**2,258,546**	2,221,282

22. Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	Other non-cash changes £	At 31 August 2025 £
Cash at bank and in hand	**2,221,282**	**37,264**	**-**	**2,258,546**
Debt due within 1 year	**(127,133)**	**127,133**	**(133,982)**	**(133,982)**
Debt due after 1 year	**(2,005,047)**	**309,854**	**133,982**	**(1,561,211)**
	89,102	**474,251**	**-**	**563,353**

23. Pension commitments

Teachers' pension scheme
The charitable company participates in the Teachers' Pension Scheme (England and Wales) (the "TPS") for certain of its teaching staff. The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 and, from 1 April 2014, the Teachers' Pension Scheme Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament. The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The contribution rate for the academic year 2024/25 was 28.68% (2023/24: 23.68%).

Defined contribution pension scheme
The charitable company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the charitable company in independently administered funds.

Pension charge
The pension cost charge for the year comprises contributions payable by the charitable company to the TPS which amounted to £527,732 (2024: £558,105) and contributions payable to the defined contribution scheme of £181,048 (2024: £88,940). At the balance sheet date the amount payable to the schemes totalled £Nil (2024: £Nil).

24. Operating lease commitments

Lessee
At 31 August 2025 the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025	2024
	£	£
Not later than 1 year	**95,338**	96,829
Later than 1 year and not later than 5 years	**366,960**	262,272
Later than 5 years	**1,284,236**	426,428
	1,746,534	785,529

The following lease payments have been recognised as an expense in the statement of financial activities:

	2025	2024
	£	£
Operating lease rentals	**95,338**	80,024

25. Related party transactions

The charitable company has not entered into any related party transactions during the year (2024: £Nil), nor are there any outstanding balances owing between related parties and the charitable company at 31 August 2025 (2024: £Nil).

BABINGTON HOUSE SCHOOL LTD

England & Wales - Charity number 307914

Accounts

Charity Registration No. 307914

Company Registration No. 00610514 (England and Wales)

BABINGTON HOUSE SCHOOL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

One Bell Lane
Lewes
East Sussex
BN7 1JU

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C Turner Mr J Frankish Mr M Hannibal Mr W Magill Ms H Porter-Aslet Mr B Roberts Mr G Scotchbrook Mrs E Channon
Key Management Personnel	Mr D Laird - Interim Headmaster Miss S Best - Bursar Mr P Showell - Head of Seniors Mr J Mole - Head of Preparatory Miss K Edwards - Deputy Head of Preparatory Miss S McIntosh - Designated Safeguarding Lead Ms R Wiffen - Director of Studies
Charity number	307914
Company number	00610514
Registered office	Babington House School Grange Drive Chislehurst Kent BR7 5ES
Auditor	TC Group One Bell Lane Lewes East Sussex BN7 1JU

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2024

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

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

Objectives and activities

The object of the Company is the provision of education and associated facilities.

In setting objectives and planning for activities, the Directors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Strategies for achieving objectives

The School's aims are set out in its Mission Statement:

A – Academic rigour
Babington House School strives for academic rigour in all areas and encourages pupils to become confident and independent thinkers. We create a learning environment which encompasses a wide curriculum provision, develops new skills, broadens knowledge and encourages the joy and wonder of learning.

B – Behaviour
We have high standards of behaviour, dress and conduct, benefitting from small class sizes and a strong sense of community.

C – Care
We are committed to outstanding pastoral care and the well-being of all. Within a broad Christian context, we promote ideals of courtesy, determination, honesty and respect.

Activities undertaken to achieve objectives

In practice the objectives are achieved via the provision of co-educational day schooling for pupils from 3 years old until 18.

Social investment policies

Although Babington House is primarily a fee-paying school, a number of scholarship awards are available to talented and bursary awards to disadvantaged children from the local community. The number of scholarship and bursary places is currently 48 (2023: 48) and scholarships and bursary provision paid for from School funds during the year under report amounted to £299,411 (2023: £283,760).

We are also very proud that the school offers a small number of full scholarships to Sixth Form pupils who had previously attended large state schools in under deprived areas of SE London. These pupils join our community and make the most of the opportunities here, helping to create a vibrant and diverse community.

Facilities

There are exciting plans to build a new block to further enhance the facilities of the school, providing a new entrance and four new classroom spaces. Planning permission is currently being sought through the local authority and it is hoped this building will be in place for 27/28.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Achievements and performance

Main achievements of the Charity

The school is one of the highest achieving schools in the London Borough of Bromley. The Board will seek to ensure that educational standards are upheld in line with the Mission Statement so that this position is maintained.

Key performance indicators

Though the school does not, of course, measure its success solely in terms of the academic performance of its pupils, the Board is pleased to report that this year's A Level and GCSE examinations results published in 2024 were remarkable and well above National averages.

GCSE Results 2024

Year	9 to 7	9 to 5	9 to 4
Four Year Average 2021 to 2024	55%	91%	98%

Nearly two thirds of students were awarded the top grades at GCSE, with 56% achieving the coveted 9-7 grades, equivalent to the old A*-A grading. 59% of students achieved the top 9-7 grades in five subjects or more, with 12% achieving a clean sweep across the board in every GCSE taken. 92% of grades were awarded grades 9-5, and we are particularly proud of the students who worked so hard to secure such fantastic grades.

Students excelled in the top 9-7 grades in a range of subjects including History, Geography, Chemistry, Physics, Computer Science, Music, RS, Textiles and PE, all securing 9-7 grades for over 60% of students. Despite nationally reported lower grades for MFL subjects, all students that sat French and German GCSE achieved grades 9-7, as did those that took Art and Design.

A Level Results 2024

Year	A*-A	A*-B	A*-C	A*-E
Four Year Average 2021 – 2024	42%	71%	88%	100%

We are thrilled that Babington House students have succeeded in securing places at top universities including Oxford, Durham, York and Liverpool to pursue their varied interests with course choices ranging from Biochemistry (Molecular and Cellular) to History of Art, Law, Physics, History, as well as a Degree Apprenticeship in the construction industry.

Nearly half of all A Levels were awarded A* and A grades with a number of subjects achieving a clean sweep of A* and A grades including English, Mathematics and Economics.
We wish each of our students the very best as they take their next steps into the wider world, to further immerse themselves in the subject areas they have enjoyed studying here at Babington House School, and to pursue employment opportunities created through our Work Experience Programme.

Review of activities

Charities and community work

The school regularly sends Senior pupils to form part of the Bromley Youth Council, who make an important contribution to the democratic process in the Borough.

The school raises a considerable amount for various charities. These include; Bromley Food Bank, Pedal push for NSPCC, Cancer Research, Bromley Homeless Charity, BBC Children in Need and UNICEF charities. We continue our links with a school in Capetown, South Africa fundraising efforts for the Uthando Charity and awareness building campaign.

The Early Years have achieved Mayor of London's Healthy Early Years London Award for another year running, this focuses on: learning, communication and language, health and well-being – all of the areas judged were heavily evidenced based.

Educational Trips and Outings

We have trips to the Peak District, Sayers Croft, Bore Place, Weymouth and the regular ski trip to the Italian Alps. Next year we are planning a trip to New York for the senior school.

Drama Sport and co-curricular

We enjoy a lot of competitive sport and are still top of the Bromley Netball League in the Under 13, Under 14 and Under 16 levels. We have represented Kent at the SE Region for Swimming and Athletics. We are top of the league for rock climbing and bouldering in the South East, and we compete very well against other schools in our football too. The carol services and prize giving award ceremonies are always very well received by parents. We have enjoyed World Book Week, British Science Week and History Week as cross curricular initiatives. The very well-produced whole school drama production of Treasure Island was enjoyed by all.

Factors relevant to achieve objectives

The school aims to enable its students to meet the challenges of the 21st Century and to create a learning environment which caters for the needs of each individual and promotes active learning and individual success.

The School was last inspected November 2023 in which the School was judged have met all of the ISI criteria.

The School continues to encourage its pupils to develop a sense of social responsibility and an understanding of the plight of others less fortunate than themselves. Fund raising schemes have enabled pupils to raise funds for nominated charities and good causes, and in so doing learn more about the activities of the charities and causes in question.

Fundraising activities and income generation

The School has had funds donated to it by the Babington House School Friends Association which is a voluntary group of parents who meet to organise social events to raise money for the School. Meetings are attended by members of the Senior Leadership Team. The charitable objectives of the BHSFA are as follows:

- To advance the education of pupils in the school in particular by developing effective relationships between the staff, parents and others associated with the school.
- Engaging in activities or providing facilities or equipment which support the school and advance the education of the pupils.

No complaints have been received in respect of fund-raising activities.

Financial review

Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

Reserves are held by the School to cope with unexpected events such as falls in income or exceptional items of expenditure. This is important to ensure the School has sufficient reserves while it takes remedial action if necessary, thereby creating stability.

Free reserves of the charity at 31 August 2024 were in surplus by £4,608,925 (2023: £3,849,715), however this includes a mortgage debt attached to the property of £2,132,180 (2023: £2,368,987), so free reserves excluding any secured balances amounted to a surplus of £2,476,745. There is no future cash flow associated with the receipt of advance fees, this along with the preparation of detailed budgets showing a positive cash flow enables the Trustees to conclude that there is no material uncertainty relating to going concern in this regard. Trustees aim to maintain at least three month's of operational costs as cash balances which at 31 August 2024 would amount to £1,819,073 (2023: £1,592,844), the actual cash balance was £2,221,282 (2023: £1,176,868).

Principal risks and uncertainties

In consultation with key management the Trustees continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. It monitors the effectiveness of the system of internal control and other viable means, including insurance cover where appropriate, by which those risks already identified can be best mitigated. The Directors, Senior Leadership Team and all staff work hard to ensure the school maintains its high quality and holds firm to its core values. They also strive to make sure there is a whole school appreciation of the importance of pupil recruitment. There is also a culture of embracing change and diversification, where this is set to improve the school, such as;

1. Selectivity and academic drive in general and the introduction of an 11+ entrance test.

2. The school sets its own educational direction, tactics and strategic direction and is courageous in maintaining an outstanding provision which is professionally determined and rigorously maintained.

Principal funding

The principal funding source to enable the School to operate in its normal course of business remains the fees paid by parents. The School does not have any endowments.

Review of the year

During the year under review the School recorded a surplus of income over expenditure of £759,210 (2023: £742,090)

Structure, governance and management

Constitution

Babington House School Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:
Mr C Turner
Mr J Frankish
Mr M Hannibal
Mr W Magill
Ms H Porter-Aslet
Mr B Roberts
Mr G Scotchbrook
Mrs E Channon

Recruitment and appointment of trustees

New Directors are recruited by approaching individuals whose area of expertise is considered will help the school pursue its endeavours. The school also seeks the active involvement of parents. After meeting existing Directors under the guidance of the Chairman, applicants are either accepted or rejected. Suitable induction training is arranged.

Organisational structure

The Trustees, with the help of the Headmaster, are responsible for the overall direction of the school. The running of the school is the responsibility of the Headmaster, with the help of his Senior Leadership Team.

Induction and training of trustees

Suitable induction training is arranged for each new Trustee appointed.

Remuneration policy

The Headmaster's pay and remuneration is set by the Chairman of the Governors, other Governors and advisors following appraisal. The rest of the Senior Leadership Team have their pay and remuneration recommended to the Pay Committee by the Headmaster following appraisals.

Relationship with related parties

There are relationships with some of the Directors who have children in attendance at the school. School fees are charged to these Directors in line with all pupils on an arm's length basis.

Financial risk management

The Directors have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

The School looks to achieve a full Roll and has two form entry from Reception class through to Year 11.

Auditor

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

Disclosure of information to auditor

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

The trustees' report, including the strategic report, was approved by the Board of Trustees.

.....
Mr C Turner
Trustee

Date: .....

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees, who are also the directors of Babington House School Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

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

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BABINGTON HOUSE SCHOOL LIMITED

Opinion

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

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BABINGTON HOUSE SCHOOL LIMITED

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.

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

Statutory Auditor
Office: Lewes

Date:.....

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
Income from:							
Charitable activities	**2**	7,961,585	-	7,961,585	7,066,569	-	7,066,569
Other trading activities	**3**	7,102	-	7,102	35,233	-	35,233
Investments	**4**	66,763	-	66,763	11,991	-	11,991
Total income		8,035,450	-	8,035,450	7,113,793	-	7,113,793
Expenditure on:							
Charitable activities	**5**	7,276,293	-	7,276,293	6,371,379	-	6,371,379
Other expenditure	**10**	(53)	-	(53)	324	-	324
Total expenditure		7,276,240	-	7,276,240	6,371,703	-	6,371,703
Net income and movement in funds		759,210	-	759,210	742,090	-	742,090
Reconciliation of funds:							
Fund balances at 1 September 2023		3,849,715	2,654,181	6,503,896	3,107,625	2,654,181	5,761,806
Fund balances at 31 August 2024		4,608,925	2,654,181	7,263,106	3,849,715	2,654,181	6,503,896

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

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	**12**		8,951,780		8,654,583
Current assets					
Debtors	**13**	190,016		228,548	
Cash at bank and in hand		2,221,282		1,176,868	
		2,411,298		1,405,416	
Creditors: amounts falling due within one year	**15**	(1,748,081)		(1,309,776)	
Net current assets			663,217		95,640
Total assets less current liabilities			9,614,997		8,750,223
Creditors: amounts falling due after more than one year	**16**		(2,351,891)		(2,246,327)
Net assets			7,263,106		6,503,896
The funds of the charitable company					
Unrestricted funds - general	**19**		4,608,925		3,849,715
Unrestricted funds - designated	**18**		2,654,181		2,654,181
			7,263,106		6,503,896

The financial statements were approved by the trustees on .....

.....
Mr C Turner
Trustee

Company registration number 00610514 (England and Wales)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Cash flows from operating activities					
Cash generated from operations	**23**		1,845,348		981,207
Investing activities					
Purchase of tangible fixed assets		(635,852)		(596,089)	
Proceeds from disposal of tangible fixed assets		4,962		-	
Investment income received		66,763		11,991	
Net cash used in investing activities			(564,127)		(584,098)
Financing activities					
Repayment of bank loans		(236,807)		(118,869)	
Net cash used in financing activities			(236,807)		(118,869)
Net increase in cash and cash equivalents			1,044,414		278,240
Cash and cash equivalents at beginning of year			1,176,868		898,628
Cash and cash equivalents at end of year			2,221,282		1,176,868

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

Charity information

Babington House School Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Babington House School, Grange Drive, Chislehurst, Kent, BR7 5ES.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006, FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

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

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

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

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

1.6 Tangible fixed assets

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

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	50 years straight line
Fixtures and fittings	25-33% straight line
Computers	33% straight line

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1 Accounting policies **(Continued)**

1.9 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies **(Continued)**

1.12 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the charitable company at the discretion of the Trustees.

Designated funds comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim of each designated fun is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Unrestricted funds		
Fees	7,707,079	6,572,088
Disbursements	156,262	417,588
Registration fees	20,700	27,050
Other income	77,544	49,843
	7,961,585	7,066,569

3 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising events	7,102	35,233

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	66,763	11,991

5 Expenditure on charitable activities

	Provision of Education 2024 £	Provision of Education 2023 £
Direct costs		
Staff costs	3,731,213	3,004,269
Examination fees	21,073	13,542
Education requisites	117,963	99,731
School trips	2,529	173,742
Non-payroll staff costs	67,733	66,022
	3,940,511	3,357,306
Share of support and governance costs (see note 6)		
Support	3,323,002	3,002,613
Governance	12,780	11,460
	7,276,293	6,371,379
Analysis by fund		
Unrestricted funds - general	7,276,293	6,371,379

6 Support costs

	Support costs	Governance costs	2024	Support costs	Governance costs	2023
Staff costs	1,133,462	-	1,133,462	1,163,761	-	1,163,761
Depreciation	333,747	-	333,747	328,316	-	328,316
Legal and professional fees	124,959	-	124,959	78,140	-	78,140
Advertising	94,070	-	94,070	76,691	-	76,691
Catering	356,055	-	356,055	310,682	-	310,682
Utility charges	78,574	-	78,574	64,182	-	64,182
Motor and travel costs	183,663	-	183,663	63,937	-	63,937
Printing, postage and stationery	85,814	-	85,814	69,500	-	69,500
Debt collection costs	16,545	-	16,545	17,056	-	17,056
Staff training and recruitment	72,729	-	72,729	76,363	-	76,363
Telephone	26,341	-	26,341	25,204	-	25,204
Computer costs	150,452	-	150,452	140,158	-	140,158
Bad debt cost	22,897	-	22,897	(12,458)	-	(12,458)
School activities	125,693	-	125,693	155,579	-	155,579
Premises	341,951	-	341,951	308,385	-	308,385
Insurance	44,320	-	44,320	40,137	-	40,137
Interest	91,150	-	91,150	96,250	-	96,250
Other	40,472	-	40,472		-	-
Charitable donations	108	-	108	730		730
Audit fees	-	12,780	12,780	-	11,460	11,460
	3,323,002	12,780	3,335,782	3,002,613	11,460	3,014,073
Analysed between						
Charitable activities	3,323,002	12,780	3,335,782	3,002,613	11,460	3,014,073

Governance costs includes payments to the auditors of £9,900 (2023-£9,900) for audit fees.

7 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	12,780	11,460
Depreciation of owned tangible fixed assets	333,747	328,316
(Profit)/loss on disposal of tangible fixed assets	(53)	324

8 Trustees

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

9 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Teaching staff	-	54
Classroom support	-	52
Adminstration	-	18
Total	-	124

Employment costs	2024 £	2023 £
Wages and salaries	3,834,727	3,318,829
Social security costs	382,903	330,976
Other pension costs	647,045	518,225
	4,864,675	4,168,030

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

	2024 Number	2023 Number
In the band £60,001-£70,000	1	1
In the band £70,001-£80,000	2	3
In the band £80,001-£130,000	2	1

9 Employees (Continued)

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024	2023
	£	£
Aggregate compensation	531,213	412,526

10 Other expenditure

	Unrestricted funds 2024	Unrestricted funds 2023
	£	£
Net loss on disposal of tangible fixed assets	(53)	324
	(53)	324

11 Taxation

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

12 Tangible fixed assets

	Freehold land and buildings	Assets under construction	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 September 2023	8,827,081	79,917	1,284,772	-	10,191,770
Additions	256,295	238,737	51,268	89,552	635,852
Disposals	(4,962)	-	(43,941)	-	(48,903)
Transfer between classes	-	-	(491,007)	491,007	-
At 31 August 2024	9,078,414	318,654	801,092	580,559	10,778,719
Depreciation and impairment					
At 1 September 2023	593,340	-	943,846	-	1,537,186
Depreciation charged in the year	132,594	-	85,609	115,544	333,747
Eliminated in respect of disposals	(99)	-	(43,895)	-	(43,994)
Transfer between classes	-	-	(312,207)	312,207	-
At 31 August 2024	725,835	-	673,353	427,751	1,826,939
Carrying amount					
At 31 August 2024	8,352,579	318,654	127,739	152,808	8,951,780
At 31 August 2023	8,233,741	79,917	340,925	-	8,654,583

Included in land and buildings is freehold land at deemed cost of £2,325,000 (2023 - £2,325,000), which is not depreciated.

13 Debtors

	2024	2023
Amounts falling due within one year:	£	£
Trade debtors	70,108	97,074
Other debtors	26,606	1,091
Prepayments and accrued income	93,302	130,383
	190,016	228,548

14 Loans and overdrafts

	2024	2023
	£	£
Bank loans	2,132,180	2,368,987
Payable within one year	127,133	122,660
Payable after one year	2,005,047	2,246,327
Amounts included above which fall due after five years:		
Payable other than by instalments	1,789,610	1,835,989

The loan balance compromises two loans from Lloyds Bank Plc.

The first loan was taken out in March 2021. The loan is secured by a legal charge over the freehold land and buildings and by a debenture over the assets of the Charitable Company. The loan is repaid in monthly instalments with interest charged at 3.45% for 60 months, then 2.45% above base rate going forward. The loan is repayable in 15 years from the first drawdown.

The second loan was taken out in March 2021. The loan is secured by a legal charge over the freehold land and buildings and by debenture over the assets of the Charitable Company. The loan is repaid in monthly instalments with interest charged at 2.45% above base rate, over a period of 168 months.

15 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Bank loans	**14**	127,133	122,660
Other taxation and social security		88,131	90,151
Deferred income	**17**	877,827	359,129
Trade creditors		148,179	176,291
Other creditors		480,443	529,895
Accruals		26,368	31,650
		1,748,081	1,309,776

16 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	**14**	2,005,047	2,246,327
Deferred income	**17**	346,844	-
		2,351,891	2,246,327

17 Deferred income

	2024 £	2023 £
Other deferred income	1,224,671	359,129

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	877,827	359,129
Non-current liabilities	346,844	-
	1,224,671	359,129
Movements in the year:		
Deferred income at 1 September 2023	359,129	360,601
Released from previous periods	(319,829)	(360,601)
Resources deferred in the year	1,185,371	359,129
Deferred income at 31 August 2024	1,224,671	359,129

Income has been deferred in respect of school fee income, extra curricular activity income and school trip income received relating to the next financial year.

18 Unrestricted funds - designated

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

	At 1 September 2023	At 31 August 2024
	£	£
	2,654,181	2,654,181

Previous year:	At 1 September 2022	At 31 August 2023
	£	£
Designated funds	2,149,814	2,149,814
Building fund	447,094	447,094
Old Babingtonians	57,273	57,273
	2,654,181	2,654,181

Designated funds represent amounts set aside for the upkeep and improvement of the school building.

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2023	Incoming resources	Resources expended	At 31 August 2024
	£	£	£	£
General funds	3,849,715	8,035,450	(7,276,240)	4,608,925

Previous year:	At 1 September 2022	Incoming resources	Resources expended	At 31 August 2023
	£	£	£	£
General funds	3,107,625	7,113,793	(6,371,703)	3,849,715

20 Analysis of net assets between funds

	Unrestricted funds 2024	Designated funds 2024	Total 2024	Unrestricted funds 2023	Designated funds 2023	Total 2023
	£	£	£	£	£	£
Fund balances at 31 August 2024 are represented by:						
Tangible assets	6,297,599	2,654,181	8,951,780	6,000,402	2,654,181	8,654,583
Current assets/ (liabilities)	663,217	-	663,217	95,640	-	95,640
Long term liabilities	(2,351,891)	-	(2,351,891)	(2,246,327)	-	(2,246,327)
	4,608,925	2,654,181	7,263,106	3,849,715	2,654,181	6,503,896

21 Operating lease commitments

Lessee

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

	2024	2023
	£	£
Within one year	96,829	80,024
Between two and five years	262,272	232,356
In over five years	426,428	453,333
	785,529	765,713

22 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

23 Cash generated from operations

	2024	2023
	£	£
Surplus for the year	759,210	742,090
Adjustments for:		
Investment income recognised in statement of financial activities	(66,763)	(11,991)
(Gain)/loss on disposal of tangible fixed assets	(53)	324
Depreciation and impairment of tangible fixed assets	333,747	328,316
Movements in working capital:		
Decrease/(increase) in debtors	38,531	(4,169)
(Decrease) in creditors	(84,866)	(71,891)
Increase/(decrease) in deferred income	865,542	(1,472)
Cash generated from operations	1,845,348	981,207

24 Analysis of changes in net funds/(debt)

	At 1 September 2023	Cash flows	At 31 August 2024
	£	£	£
Cash at bank and in hand	1,176,868	1,044,414	2,221,282
Loans falling due within one year	(122,660)	(4,473)	(127,133)
Loans falling due after more than one year	(2,246,327)	241,280	(2,005,047)
	(1,192,119)	1,281,221	89,102

BABINGTON HOUSE SCHOOL LTD

England & Wales - Charity number 307914

Accounts

Charity registration number 307914

Company registration number 00610514 (England and Wales)

BABINGTON HOUSE SCHOOL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

BABINGTON HOUSE SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C Turner Mr J Frankish Mr M Hannibal Mr W Magill Ms H Porter-Aslet Mr B Roberts Mr G Scotchbrook Mrs E Channon
Key Management Personnel	Mr T Lello - Headmaster Miss S Best - Bursar Mr P Showell - Head of Seniors Mr J Mole - Head of Preparatory Miss K Edwards - Deputy Head of Preparatory Miss S McIntosh - Designated Safeguarding Lead
Charity number	307914
Company number	00610514
Registered office	Babington House School Grange Drive Chislehurst Kent BR7 5ES
Auditor	Knill James LLP One Bell Lane Lewes East Sussex BN7 1JU

BABINGTON HOUSE SCHOOL LIMITED

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BABINGTON HOUSE SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

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

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

Objectives and activities

The object of the Company is the provision of education and associated facilities.

In setting objectives and planning for activities, the Directors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Strategies for achieving objectives

The School's aims are set out in its Mission Statement:

A – Academic rigour
Babington House School strives for academic rigour in all areas and encourages pupils to become confident and independent thinkers. We create a learning environment which encompasses a wide curriculum provision, develops new skills, broadens knowledge and encourages the joy and wonder of learning.

B – Behaviour
We have high standards of behaviour, dress and conduct, benefitting from small class sizes and a strong sense of community.

C – Care
We are committed to outstanding pastoral care and the well-being of all. Within a broad Christian context, we promote ideals of courtesy, determination, honesty and respect.

Activities undertaken to achieve objectives

In practice the objectives are achieved via the provision of co-educational day schooling for pupils from 3 years old until 18.

Social investment policies

Although Babington House is primarily a fee-paying school, a number of scholarship awards are available to talented and bursary awards to disadvantaged children from the local community. The number of scholarship and bursary places is currently 48 (2022: 47) and scholarships and bursary provision paid for from School funds during the year under report amounted to £283,760 (2022: £331,016).

We are also very proud that the school offers a small number of full scholarships to Sixth Form pupils who had previously attended large state schools in under deprived areas of SE London. These pupils join our community and make the most of the opportunities here, helping to create a vibrant and diverse community.

Working with a small group of local business people, the Headmaster helped to set up a scheme for some Babington Sixth Form pupils to receive funding through their university courses who would otherwise not be in a position to afford to go to the universities of their choice.

Facilities

The school facilities have been well maintained with a new classroom being completed in October 2021. There are plans to build a new classroom block to further enhance the specialist facilities of the school including science labs and library. Planning permission is currently being sought through the local authority and it is hoped this building will be in place for 25/26.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Achievements and performance

Main achievements of the Charity

The school is one of the highest achieving schools in the London Borough of Bromley. The Board will seek to ensure that educational standards are upheld in line with the Mission Statement so that this position is maintained.

Key performance indicators

Though the school does not, of course, measure its success solely in terms of the academic performance of its pupils, the Board is pleased to report that this year's A Level and GCSE examinations results published in 2023 were remarkable and well above National averages.

We were extremely pleased that these pupils surpassed their expectations due to their hard work and the support they received at Babington. In fact, almost all the students achieved the grades they needed to go on to the universities of their choice. We currently have former pupils at Kings London (Medicine), Bristol (Economics), Exeter (Law), Surrey (Economics and Finance), Canterbury (Maths with Secondary Education), Loughborough (Politics, Philosophy and Economics), Reading (History), Sheffield (Urban Planning), Leicester (Psychology), Nottingham (Sociology), Leicester (Law), Leeds (Maths), LSE (Economics), Edinburgh (English), Southampton (Chemistry), Southampton (History), Bath (Physics), UCL (Mechanical Engineering), Birmingham (Dentistry), Birmingham (Pharmacy), Birmingham (Biomedical Science) and Brighton (Business).

We continue to forge strong links with the top universities and industry placements. For example, one pupil is currently on the prestigious degree internship at the major engineering company Thalis. Thalis will fund the degree course, pay her in excess of £20,000 a year and provide her with a job at the end of their course. This came out of the work experience we arranged for her at Thalis. She follows in the footsteps of other students from Babington, who have achieved this in the past.

Lower down the school we achieved 100% success rate in the external (Year 6) 11+ grammar school examinations in 2023.

Review of activities

Charities and community work

The school regularly sends Senior pupils to form part of the Bromley Youth Council, who make an important contribution to the democratic process in the Borough.

The school raises a considerable amount for various charities. These include; Bromley Food Bank, Pedal push for NSPCC, Cancer Research, Bromley Homeless Charity, BBC Children in Need and UNICEF charities. We continue our links with a school in Capetown, South Africa fundraising efforts for the Uthando Charity and awareness building campaign.

The Early Years have achieved Mayor of London's Healthy Early Years London Award for another year running, this focuses on: learning, communication and language, health and well-being – all of the areas judged were heavily evidenced based.

Educational Trips and Outings

We have trips to the Peak District, Sayers Croft, Bore Place, Weymouth and the regular ski trip to the Italian Alps.

Drama Sport and co-curricular

We enjoy a lot of competitive sport and are still top of the Bromley Netball League in the Under 13, Under 14 and Under 16 levels. We have represented Kent at the SE Region for Swimming and Athletics. We are top of the league for rock climbing and bouldering in the South East, and we compete very well against other schools in our football too. The carol services and prize giving award ceremonies are always very well received by parents. We have enjoyed World Book Week, British Science Week and History Week as cross curricular initiatives. The very well-produced whole school drama production of Treasure Island was enjoyed by all.

Factors relevant to achieve objectives

The school aims to enable its students to meet the challenges of the 21st Century and to create a learning environment which caters for the needs of each individual and promotes active learning and individual success.

The School was last inspected November 2016 in which the School was judged to be 'Excellent' in all areas of school life.

The School continues to encourage its pupils to develop a sense of social responsibility and an understanding of the plight of others less fortunate than themselves. Fund raising schemes have enabled pupils to raise funds for nominated charities and good causes, and in so doing learn more about the activities of the charities and causes in question.

Fundraising activities and income generation

The School has had funds donated to it by the Babington House School Friends Association which is a voluntary group of parents who meet to organise social events to raise money for the School. Meetings are attended by members of the Senior Leadership Team. The charitable objectives of the BHSFA are as follows:

- To advance the education of pupils in the school in particular by developing effective relationships between the staff, parents and others associated with the school.
- Engaging in activities or providing facilities or equipment which support the school and advance the education of the pupils.

No complaints have been received in respect of fund-raising activities.

Financial review

Going concern

As noted below free reserves are in surplus at 31 August 2023, and the cash position is positive and future cash flow projections and budgets indicate that there is no material uncertainty in relation to going concern.

After making appropriate enquiries, the Directors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

Reserves are held by the School to cope with unexpected events such as falls in income or exceptional items of expenditure. This is important to ensure the School has sufficient reserves while it takes remedial action if necessary, thereby creating stability.

Free reserves of the charity at 31 August 2023 were in surplus by £3,849,715 (2022: £3,107,625), however this includes a loan and mortgage debt attached to the property of £2,368,987 (2022: £2,487,856), so free reserves excluding any secured balances amounted to a surplus of £1,480,730 (2022: £619,769). Included in this balance is the receipt of fees in advance which are accounted for as deferred income. There is no future cash flow associated with the receipt of advance fees, this along with the preparation of detailed budgets showing a positive cash flow enables the Trustees to conclude that there is no material uncertainty relating to going concern in this regard. Trustees aim to maintain at least three month’s of operational costs as cash balances which at 31 August 2023 would amount to £1,592,844 (2022: £1,401,885), the actual cash balance was £1,176,868 (2022: £898,628).

Principal risks and uncertainties

In consultation with key management the Trustees continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. It monitors the effectiveness of the system of internal control and other viable means, including insurance cover where appropriate, by which those risks already identified can be best mitigated. The Directors, Senior Leadership Team and all staff work hard to ensure the school maintains its high quality and holds firm to its core values. They also strive to make sure there is a whole school appreciation of the importance of pupil recruitment. There is also a culture of embracing change and diversification, where this is set to improve the school, such as;

1. Selectivity and academic drive in general and the introduction of an 11+ entrance test.

2. The school sets its own educational direction, tactics and strategic direction and is courageous in maintaining an outstanding provision which is professionally determined and rigorously maintained.

Principal funding

The principal funding source to enable the School to operate in its normal course of business remains the fees paid by parents. The School does not have any endowments.

Review of the year

During the year under review the School recorded a surplus of income over expenditure of £742,090 (2022: £522,852)

Structure, governance and management

Constitution

Babington House School Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:
Mr C Turner
Mr J Frankish
Mr M Hannibal
Mr W Magill
Ms H Porter-Aslet
Mr B Roberts
Mr G Scotchbrook
Mrs E Channon

Recruitment and appointment of trustees

New Directors are recruited by approaching individuals whose area of expertise is considered will help the school pursue its endeavours. The school also seeks the active involvement of parents. After meeting existing Directors under the guidance of the Chairman, applicants are either accepted or rejected. Suitable induction training is arranged.

Organisational structure

The Trustees, with the help of the Headmaster, are responsible for the overall direction of the school. The running of the school is the responsibility of the Headmaster, with the help of his Senior Leadership Team.

Induction and training of trustees

Suitable induction training is arranged for each new Trustee appointed.

Remuneration policy

The Headmaster's pay and remuneration is set by the Chairman of the Governors, other Governors and advisors following appraisal. The rest of the Senior Leadership Team have their pay and remuneration recommended to the Pay Committee by the Headmaster following appraisals.

Relationship with related parties

There are relationships with some of the Directors who have children in attendance at the school. School fees are charged to these Directors in line with all pupils on an arm's length basis.

Financial risk management

The Directors have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

The School looks to achieve a full Roll and has two form entry from Reception class through to Year 11.

Auditor

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

Disclosure of information to auditor

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

The trustees' report, including the strategic report, was approved by the Board of Trustees.

.....
Mr C Turner
Trustee

Date: .....

BABINGTON HOUSE SCHOOL LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees, who are also the directors of Babington House School Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

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

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

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

BABINGTON HOUSE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BABINGTON HOUSE SCHOOL LIMITED

Opinion

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

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.

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

Chartered Accountants
Statutory Auditor

One Bell Lane
Lewes
East Sussex
BN7 1JU

BABINGTON HOUSE SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
Income from:							
Charitable activities	**2**	7,066,569	-	7,066,569	6,003,162	-	6,003,162
Other trading activities	**3**	35,233	-	35,233	127,203	-	127,203
Investments	**4**	11,991	-	11,991	24	-	24
Total income		7,113,793	-	7,113,793	6,130,389	-	6,130,389
Expenditure on:							
Charitable activities	**5**	6,371,379	-	6,371,379	5,607,537	-	5,607,537
Other	**9**	324	-	324	-	-	-
Total expenditure		6,371,703	-	6,371,703	5,607,537	-	5,607,537
Net income for the year/ Net movement in funds		742,090	-	742,090	522,852	-	522,852
Fund balances at 1 September 2022		3,107,625	2,654,181	5,761,806	2,584,773	2,654,181	5,238,954
Fund balances at 31 August 2023		3,849,715	2,654,181	6,503,896	3,107,625	2,654,181	5,761,806

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

All income and expenditure derive from continuing activities.

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

BABINGTON HOUSE SCHOOL LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	**11**		8,654,583		8,387,133
Current assets					
Debtors	**12**	228,548		224,380	
Cash at bank and in hand		1,176,868		898,628	
		1,405,416		1,123,008	
Creditors: amounts falling due within one year	**14**	(1,309,776)		(1,364,420)	
Net current assets/(liabilities)			95,640		(241,412)
Total assets less current liabilities			8,750,223		8,145,721
Creditors: amounts falling due after more than one year	**15**		(2,246,327)		(2,383,915)
Net assets			6,503,896		5,761,806
Income funds					
Unrestricted funds - designated	**18**		2,654,181		2,654,181
Unrestricted funds - general			3,849,715		3,107,625
			6,503,896		5,761,806

The financial statements were approved by the Trustees on .....

.....
Mr C Turner
Trustee

Company registration number 00610514

BABINGTON HOUSE SCHOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Cash generated from operations	**23**		981,207		856,904
Investing activities					
Purchase of tangible fixed assets		(596,089)		(1,000,888)	
Investment income received		11,991		24	
Net cash used in investing activities			(584,098)		(1,000,864)
Financing activities					
Repayment of bank loans		(118,869)		309,128	
Payment of obligations under finance leases		-		(6,139)	
Net cash (used in)/generated from financing activities			(118,869)		302,989
Net increase in cash and cash equivalents			278,240		159,029
Cash and cash equivalents at beginning of year			898,628		739,599
Cash and cash equivalents at end of year			1,176,868		898,628

1 Accounting policies

Charity information

Babington House School Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Babington House School, Grange Drive, Chislehurst, Kent, BR7 5ES.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006, FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

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

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

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

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

1.6 Tangible fixed assets

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

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	50 years straight line
Fixtures and fittings	25-33% straight line

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

1 Accounting policies **(Continued)**

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the charitable company at the discretion of the Trustees.

Designated funds comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim of each designated fun is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2 Charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fees	6,572,088	5,709,968
Disbursements	417,588	255,880
Registration fees	27,050	23,500
Other income	49,843	13,814
	7,066,569	6,003,162

3 Other trading activities

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Fundraising events	35,233	127,203

4 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	11,991	24

5 Charitable activities

	Provision of Education 2023 £	Provision of Education 2022 £
Staff costs	3,004,269	3,029,161
Examination fees	13,542	11,447
Education requisites	99,731	96,394
School trips	173,742	51,412
Non-payroll staff costs	66,022	21,973
	3,357,306	3,210,387
Share of support costs (see note 6)	3,002,613	2,383,605
Share of governance costs (see note 6)	11,460	13,545
	6,371,379	5,607,537

6 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
Staff costs	1,163,761	-	1,163,761	705,467	-	705,467
Depreciation	328,316	-	328,316	260,375	-	260,375
Legal and professional fees	78,140	-	78,140	28,604	-	28,604
Advertising	76,691	-	76,691	67,927	-	67,927
Catering	310,682	-	310,682	305,811	-	305,811
Utility charges	64,182	-	64,182	40,083	-	40,083
Motor and travel costs	63,937	-	63,937	50,870	-	50,870
Printing, postage and stationery	69,500	-	69,500	103,087	-	103,087
Debt collection costs	17,056	-	17,056	21,834	-	21,834
Staff training and recruitment	76,363	-	76,363	104,934	-	104,934
Telephone	25,204	-	25,204	17,425	-	17,425
Computer costs	140,158	-	140,158	103,426	-	103,426
Bad debt cost	(12,458)	-	(12,458)	(3,601)	-	(3,601)
School activities	155,579	-	155,579	97,526	-	97,526
Premises	308,385	-	308,385	261,229	-	261,229
Insurance	40,137	-	40,137	39,673	-	39,673
Interest	96,250	-	96,250	74,199	-	74,199
Other	-	-	-	104,736	-	104,736
Charitable donations	730	-	730		-	-
Audit fees	-	11,460	11,460	-	13,545	13,545
	3,002,613	11,460	3,014,073	2,383,605	13,545	2,397,150
Analysed between						
Charitable activities	3,002,613	11,460	3,014,073	2,383,605	13,545	2,397,150

Governance costs includes payments to the auditors of £9,900 (2022-£8,340) for audit fees.

7 Trustees

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

8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Teaching staff	54	49
Classroom support	52	43
Adminstration	18	18
Total	124	110

8 Employees **(Continued)**

Employment costs	2023 £	2022 £
Wages and salaries	3,318,829	2,989,911
Social security costs	330,976	287,157
Other pension costs	518,225	457,560
	4,168,030	3,734,628

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

	2023 Number	2022 Number
In the band £60,001-£70,000	1	1
In the band £70,001-£80,000	3	1
In the band £110,001-£120,000	-	1
In the band £120,001-£130,000	1	-

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	412,526	412,713

9 Other expenditure

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Net loss on disposal of tangible fixed assets	324	-
	324	-

10 Taxation

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

11 Tangible fixed assets

	Freehold land and buildings	Assets under construction	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 September 2022	8,439,391	78,837	1,570,874	10,089,102
Additions	308,853	79,917	207,319	596,089
Disposals	-	-	(493,421)	(493,421)
Transfer between classes	78,837	(78,837)	-	-
At 31 August 2023	8,827,081	79,917	1,284,772	10,191,770
Depreciation and impairment				
At 1 September 2022	462,504	-	1,239,464	1,701,968
Depreciation charged in the year	130,836	-	197,480	328,316
Eliminated in respect of disposals	-	-	(493,097)	(493,097)
At 31 August 2023	593,340	-	943,847	1,537,187
Carrying amount				
At 31 August 2023	8,233,741	79,917	340,925	8,654,583
At 31 August 2022	7,976,887	78,837	331,409	8,387,133

Included in land and buildings is freehold land at deemed cost of £2,325,000 (2022 - £2,325,000), which is not depreciated.

12 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Trade debtors	97,074	111,979
Other debtors	1,091	20,528
Prepayments and accrued income	130,383	91,873
	228,548	224,380

13 Loans and overdrafts

	2023	2022
	£	£
Bank loans	2,368,987	2,487,856
Payable within one year	122,660	120,568
Payable after one year	2,246,327	2,367,288
Amounts included above which fall due after five years:		
Payable other than by instalments	1,835,989	1,785,820

The loan balance compromises two loans from Lloyds Bank Plc.

The first loan was taken out in June 2021. The loan is secured by a legal charge over the freehold land and buildings and by a debenture over the assets of the Charitable Company. The loan is repaid in monthly instalments with interest charged at 3.45% for 60 months, then 2.45% above base rate going forward. The loan is repayable in 15 years from the first drawdown.

The second loan was taken out in July 2022. The loan is secured by a legal charge over the freehold land and buildings and by debenture over the assets of the Charitable Company. The loan is repaid in monthly instalments with interest charged at 2.45% above base rate. The loan is repayable in 15 years from the first drawdown.

14 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Bank loans	**13**	122,660	120,568
Other taxation and social security		90,151	67,887
Deferred income	**16**	359,129	343,974
Trade creditors		176,291	209,542
Other creditors		529,895	443,303
Accruals and deferred income		31,650	179,146
		1,309,776	1,364,420

15 Creditors: amounts falling due after more than one year

	Notes	2023	2022
		£	£
Bank loans	**13**	2,246,327	2,367,288
Deferred income	**16**	-	16,627
		2,246,327	2,383,915

16 Deferred income

	2023	2022
	£	£
Other deferred income	359,129	360,601

Deferred income is included in the financial statements as follows:

	2023	2022
	£	£
Deferred income is included within:		
Current liabilities	359,129	343,974
Non-current liabilities	-	16,627
	359,129	360,601
Movements in the year:		
Deferred income at 1 September 2022	360,601	117,246
Released from previous periods	(360,601)	(117,246)
Resources deferred in the year	359,129	360,601
Deferred income at 31 August 2023	359,129	360,601

Income has been deferred in respect of school fee income, extra curricular activity income and school trip income received relating to the next financial year.

17 Retirement benefit schemes

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

Defined contribution

The assets of the scheme are held separately from those of the School in an independently administered fund. Contributions to the scheme are charged to the Statement of Financial Activities as they fall due. Contributions payable by the company in the year amounted to £199,317 (2022 - £46,462).The Contributions amounting to £19,783 are payable to the scheme as at 31 August 2023 (2022 - £60,847) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.6% of pensionable pay (including a 0.8% administration levy);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million;
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations; and the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

17 Retirement benefit schemes **(Continued)**

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

The total pension costs paid to TPS in the period amounted to £318,908. The Contributions amounting to £105,695 are payable to the scheme as at 31 August and are included within creditors. A copy of the valuation report and supporting documentation is on the Teachers' Pension website.

A copy of the latest valuation report and supporting documentation can be found on the Teachers' Pensions website (https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx)
Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The charitable company has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The charity has set out the above the information available on the scheme.

18 Unrestricted funds - designated

These are unrestricted funds which are material to the charitable company's activities made up as follows:

		Movement in funds		Movement in funds	
	Balance at 1 September 2021	Incoming resources	Balance at 1 September 2022	Incoming resources	Balance at 31 August 2023
	£	£	£	£	£
Designated funds	2,149,814	-	2,149,814	-	2,149,814
Building fund	447,094	-	447,094	-	447,094
Old Babingtonians	57,273	-	57,273	-	57,273
	2,654,181	-	2,654,181	-	2,654,181

Designated funds represent amounts set aside for the upkeep and improvement of the school building.

19 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Total	Unrestricted funds	Designated funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Fund balances at 31 August 2023 are represented by:						
Tangible assets	6,000,402	2,654,181	8,654,583	8,387,133	-	8,387,133
Current assets/(liabilities)	95,640	-	95,640	(241,412)	-	(241,412)
Long term liabilities	(2,246,327)	-	(2,246,327)	(2,383,915)	-	(2,383,915)
	3,849,715	2,654,181	6,503,896	5,761,806	-	5,761,806

20 Operating lease commitments

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

	2023	2022
	£	£
Within one year	80,024	16,700
Between two and five years	232,356	16,685
In over five years	453,333	-
	765,713	33,385

21 Capital commitments

	2023	2022
	£	£
At 31 August 2023 the charitable company had capital commitments as follows:		
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	-	9,799

22 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	412,526	412,713

23	Cash generated from operations	2023	2022
		£	£
	Surplus for the year	742,090	522,852
	Adjustments for:		
	Investment income recognised in statement of financial activities	(11,991)	(24)
	Loss on disposal of tangible fixed assets	324	-
	Amortisation and impairment of intangible assets	130,836	85,856
	Depreciation and impairment of tangible fixed assets	197,480	174,519
	Movements in working capital:		
	(Increase) in debtors	(4,169)	(63,066)
	(Decrease) in creditors	(71,891)	(106,588)
	(Decrease)/increase in deferred income	(1,472)	243,355
	Cash generated from operations	981,207	856,904

24 Analysis of changes in net (debt)/funds

	At 1 September 2022	Cash flows	At 31 August 2023
	£	£	£
Cash at bank and in hand	898,628	278,240	1,176,868
Loans falling due within one year	(120,568)	(2,092)	(122,660)
Loans falling due after more than one year	(2,367,288)	120,961	(2,246,327)
	(1,589,228)	397,109	(1,192,119)

BABINGTON HOUSE SCHOOL LTD

England & Wales - Charity number 307914

Accounts

Registered number: 00610514
Charity number: 307914

BABINGTON HOUSE SCHOOL LIMITED

(A company limited by guarantee)

Directors' Report and Financial Statements

For the Year Ended 31 August 2022

BABINGTON HOUSE SCHOOL LIMITED
(A company limited by guarantee)

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BABINGTON HOUSE SCHOOL LIMITED

(A company limited by guarantee)

Reference and Administrative Details of the Charity, its Directors and Advisers
For the Year Ended 31 August 2022

Directors	Ben Roberts, Trustee (appointed 4 November 2021) James Wedgwood Frankish, Trustee (appointed 10 March 2022) Geoffrey Phillip Scotchbrook, Trustee (appointed 10 March 2022) Hayley Jane Porter-Aslet, Trustee Christopher Lloyd Turner, Trustee William James Magill, Trustee Mads Hannibal, Trustee Elizabeth Channon, Trustee Palin Goodley-Ozcan, Trustee (resigned 4 November 2021) Ashley Moss, Trustee (resigned 9 June 2022) Jonathan Bentley, Trustee (resigned 20 November 2021) Justin Turner, Trustee (resigned 4 November 2021) Kate Clarke, Trustee (resigned 10 March 2022)
Company registered number	00610514
Charity registered number	307914
Registered office	Babington House School Grange Drive Chislehurst Kent BR7 5ES
Key Management Personnel	Timothy Lello - Headteacher Paul Showell - Head of Seniors Sharon Best - Bursar Beth McDonald-Smith - Head of Preparatory Kate Edwards - Deputy Head of Preparatory
Independent auditors	Xeinadin Audit Limited Chartered Accountants Statutory Auditors 12 Conqueror Court Sittingbourne Kent ME10 5BH
Bankers	Barclays Bank PLC 7 High Street Chislehurst Kent

BABINGTON HOUSE SCHOOL LIMITED

(A company limited by guarantee)

Directors' Report
For the Year Ended 31 August 2022

The Directors present their annual report together with the audited financial statements of the Babington House School Limited for the 1 September 2021 to 31 August 2022. The Annual report serves the purposes of both a Directors' report and a directors' report under company law. The Directors confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective January 2015).

Objectives and activities

a. Policies and objectives

The object of the Company is the provision of education and associated facilities.

In setting objectives and planning for activities, the Directors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

The School's aims are set out in its Mission Statement:

- Striving for academic rigour in all areas and encouraging pupils to become confident and able to think for themselves.
- Promoting high standards of behaviour, dress and conduct, benefiting from small class sizes and a strong sense of community.
- A commitment to outstanding music, drama, sport and the arts in their broadest sense and offering a wide array of clubs, societies and extra curricular opportunities.
- Creating a learning environment which caters for the needs of each individual and ensures pupils develop new skills, broaden their knowledge and achieve their potential.
- Within a broad Christian context, the promotion of ideals of honesty, integrity, trust and respect.
- Cultivating a relationship between home and school that promotes mutual cooperation and support.

c. Activities undertaken to achieve objectives

In practice the objectives are achieved via the provision of co-educational day schooling for pupils from 3 years old until 18.

d. Social investment policies

Although Babington House is primarily a fee paying school, a number of scholarship awards are available to talented and bursary awards to disadvantaged children from the local community. The number of scholarship and bursary places is currently 47 (2021: 71) and scholarships and bursary provision paid for from School funds during the year under report amounted to £331,016 (2021: £482,694).

We are also very proud that the school offers a small number of full scholarships to Sixth Form pupils who had previously attended large state schools in deprived areas of SE London. These pupils join our community and make the most of the opportunities here, helping to create a vibrant and diverse community.

Working with a small group of local business people, The Headmaster helped to set up a scheme for some Babington Sixth Form pupils to receive funding through their university courses who would otherwise not be in a position to afford to go to the universities of their choice.

Objectives and activities (continued)

e. Facilities

The school facilities have been well maintained with a new classroom being completed in October 2021. There are plans to build a new classroom block to further enhance the specialist facilities of the school including science labs and 6th form areas. Planning permission is currently being sought through the local authority and it is hoped this building will be in place for 24/25.

Strategic report

Achievements and performance

a. Main achievements of the Charity

The school is one of the highest achieving schools in the London Borough of Bromley. The Board will seek to ensure that educational standards are upheld in line with the Mission Statement so that this position is maintained.

b. Key performance indicators

Though the school does not, of course, measure its success solely in terms of the academic performance of its pupils, the Board is pleased to report that this year's A Level examinations results published in 2021 were remarkable with 79% A* - A and 92% A* - B grades. Two thirds of our students achieved straight As and A* grades in all their subjects. At GCSE our results were equally impressive with 68% of students achieving 9-7 (7 being the equivalent of the old A Grade). Both A Level and GCSE grades were externally moderated by the examination boards this year and our recommendations (Centre Assessed Grades) were upheld.

We were extremely pleased that these pupils surpassed their expectations due to their hard work and the support they received at Babington. In fact, almost all the students achieved the grades they needed to go on to the universities of their choice. We currently have former pupils at Leeds (Maths), Kings London (Medicine), LSE (Economics), Edinburgh (English), Bristol (Economics), Southampton (Chemistry), Southampton (History), Bath (Physics), UCL (Mechanical Engineering), Birmingham (Dentistry), Birmingham (Pharmacy), Birmingham (Biomedical Science) and Brighton (Business).

We continue to forge strong links with the top universities and industry placements. For example, two pupils are currently on the prestigious degree internship at the major engineering company Thales. Thales will fund the degree course, pay them in excess of £20,000 a year and provide them with jobs at the end of their course. This came out of the work experience we arranged for them at Thales.

Lower down the school we achieved a 90% success rate in the external (Year 6) 11+ grammar school examinations in 2021.

Strategic report (continued)

Achievements and performance (continued)

c. Review of activities

Charities and community work

The school regularly sends Senior pupils to form part of the Bromley Youth Council, who make an important contribution to the democratic process in the Borough.

The school raises a considerable amount for various charities. These include: Bromley Food Bank, Pedal push for NSPCC, Ramble for BBC Children in Need, Children of the Mountain in Nepal and other fundraising events in the current news, such as the Australian Bush Fires Appeal. We were able to raise a considerable amount of money to install a playground for a school in one of the most deprived areas of Cape Town, South Africa and a group of Babington pupils were fortunate to visit this project last Summer where they met the South African Prime Minister who praised Babington House's fundraising efforts for the Uthando Charity and awareness building campaign.

The Early Years have achieved Mayor of London's Healthy Early Years London Award, this focuses on: learning, SEND provision, communication and language, health and well-being – all of the areas judged was heavily evidenced based.

Educational Trips and Outings

Because of the COVID pandemic the school has not been able to run educational trips and outings but recent residential trips before the pandemic included South Africa, Kenya, Sayers Croft, Bore Place, Weymouth and the regular ski trip to the Alps.

Drama Sport and co-curricular

Because of the restrictions placed upon us by the COVID pandemic we have enjoyed less drama and competitive sport than in most years, but we are still top of the Bromley Netball League in the Under 13, 14 and 16 levels. We have represented Kent in our Babington House Ski Team, the SE Region for Swimming and Athletics for the Nationals. The carol services and prize giving award ceremonies were well received by parents. We have enjoyed World Book Week, British Science Week and History Week as cross curricular initiatives. The very well-produced whole school drama productions prior to the pandemic included Alice in Wonderland, Seussical the Musical and A Midsummer Night's Dream.

d. Factors relevant to achieve objectives

The school aims to enable its students to meet the challenges of the 21st Century and to create a learning environment which caters for the needs of each individual and promotes active learning and individual success.

The School was last inspected November 2016 in which the School was judged to be 'Excellent' in all areas of school life.

The School continues to encourage its pupils to develop a sense of social responsibility and an understanding of the plight of others less fortunate than themselves. Fund-raising schemes have enabled pupils to raise funds for nominated charities and good causes, and in so doing learn more about the activities of the charities and causes in question.

Strategic report (continued)

Achievements and performance (continued)

e. Fundraising activities and income generation

The School has had funds donated to it by the Babington House School Friends Association which is a voluntary group of parents who meet to organise social events to raise money for the School. Meetings are attended by members of the Senior Leadership Team. The charitable objectives of the BHSFA are as follows:

- To advance the education of pupils in the school in particular by developing effective relationships between the staff, parents and others associated with the school.
- Engaging in activities or providing facilities or equipment which support the school and advance the education of the pupils.

No complaints have been received in respect of fund-raising activities.

Financial review

a. Going concern

As noted below free reserves are in surplus at 31 August 2022, and the cash position is positive and future cash flow projections and budgets indicate that there is no material uncertainty in relation to going concern.

After making appropriate enquiries, the Directors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

Reserves are held by the School to cope with unexpected events such as falls in income or exceptional items of expenditure. This is important to ensure the School has sufficient reserves while it takes remedial action if necessary, thereby creating stability.

Free reserves of the charity at 31 August 2022 were in surplus by £3,107,625 (2021: £2,584,773), however this includes a loan and a mortgage debt attached to the property of £2,487,856 (2021: £2,178,728) so free reserves excluding any secured balances amounted to a surplus of £619,769 (2021: £406,045). Included in this balance is the receipt of fees in advance which is accounted for as deferred income. There is no future cash flow associated with the receipt of advance fees, this along with the preparation of detailed budgets showing a positive cash flow enables the Trustees to conclude that there is no material uncertainty relating to going concern in this regard. Trustees aim to maintain at least three months of operational costs as cash balances which at 31 August 2022 would amount to £1,401,885 (2021: £1,341,471), the actual cash balance was £898,628 (2021: £739,599).

c. Principal risks and uncertainties

In consultation with key management the Directors continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. It monitors the effectiveness of the system of internal control and other viable means, including insurance cover where appropriate, by which those risks already identified can be best mitigated. The Directors, Senior Leadership Team and all staff work hard to ensure the school maintains its high quality and holds firm to its core values. They also strive to make sure there is a whole school appreciation of the importance of pupil recruitment. There is also a culture of embracing change and diversification, where this is set to improve the school, such as;

1. Selectivity and academic drive in general and the introduction of an 11+ entrance test.

2. The school sets its own educational direction, tactics and strategic direction and is courageous in maintaining an outstanding provision which is professionally determined and rigorously maintained.

d. Principal funding

The principal funding source to enable the School to operate in its normal course of business remains the fees paid by parents. The School does not have any endowments.

e. Review of the year

During the year under review the School recorded a surplus of income over expenditure of £522,852 (2021: £176,486).

Structure, governance and management

a. Constitution

Babington House School Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Methods of appointment or election of Directors

New Directors are recruited by approaching individuals whose area of expertise is considered will help the school pursue its endeavours. The school also seeks the active involvement of parents. After meeting existing Directors under the guidance of the Chairman, applicants are either accepted or rejected. Suitable induction training is arranged.

c. Organisational structure and decision-making policies

The Directors, with the help of the Headmaster, are responsible for the overall direction of the school. The running of the school is the responsibility of the Headmaster, with the help of his Senior Leadership Team.

d. Policies adopted for the induction and training of Directors

Suitable induction training is arranged for each new Director appointed.

Structure, governance and management (continued)

e. Pay policy for key management personnel

The Headmaster's pay and remuneration is set by the Chairman of the Governors, other Governors and advisors following appraisal. The rest of the Senior Leadership Team have their pay and remuneration recommended to the Pay Committee by the Headmaster following appraisals.

f. Related party relationships

There are relationships with some of the Directors who have children in attendance at the school. School fees are charged to these Directors in line with all pupils on an arm's length basis.

g. Financial risk management

The Directors have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

The School looks to achieve a full roll and it currently has a waiting list in Nursery up to 2023, as well as waiting lists in several other year groups including Reception and Years 4, 5 and 6. The school created two year 7 forms in September 2019 to cater for the high demand for places.

Statement of Directors' responsibilities

The Directors (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Directors' report including the Strategic report 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 . Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The directors have appointed Xeinadin Audit Limited as auditor for the year ended 31 August 2022.

Approved by order of the members of the board of Directors and signed on their behalf by:

Christopher Lloyd Turner
Director
Date:

Independent Auditors' Report to the Members of Babington House School Limited

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinion 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 Directors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report including the Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 trustees

As explained more fully in the Directors' responsibilities statement, the Directors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report to the Members of Babington House School Limited (continued)

Auditors' 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 Auditors' 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:

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

1. Assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud may occur.

2. Held discussions with the client regrading their policies and procedures on complience with laws and regulations.

3. Held discussions with the client regarding their policies and procedures on fraud risks, including knowledge of any actual suspected or alleged fraud.

We consider the entity's controls effective in identifying fraud. We do not consider there to be significant difficulty in detecting irregularaties.

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. This description forms part of our Auditors' report.

Use of our report

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

Alastair Crawford FCA (Senior statutory auditor)
for and on behalf of
Xeinadin Audit Limited
Chartered Accountants
Statutory Auditors
12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date:

BABINGTON HOUSE SCHOOL LIMITED

(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:				
Donations and legacies	3	**-**	**-**	*60,382*
Charitable activities	4	**6,003,162**	**6,003,162**	*5,395,350*
Other trading activities	5	**127,203**	**127,203**	*101,588*
Investments	6	**24**	**24**	*564*
Total income		**6,130,389**	**6,130,389**	*5,557,884*
Expenditure on:				
Charitable activities	8	**5,607,537**	**5,607,537**	*5,381,398*
Total expenditure		**5,607,537**	**5,607,537**	*5,381,398*
Net movement in funds		**522,852**	**522,852**	*176,486*
Reconciliation of funds:				
Total funds brought forward		**5,238,954**	**5,238,954**	*5,062,468*
Net movement in funds		**522,852**	**522,852**	*176,486*
Total funds carried forward		**5,761,806**	**5,761,806**	*5,238,954*

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 33 form part of these financial statements.

BABINGTON HOUSE SCHOOL LIMITED

(A company limited by guarantee)
Registered number: 00610514

Balance Sheet
As at 31 August 2022

	Note		2022 £		*2021* *£*
Fixed assets					
Tangible assets	13		**8,387,133**		*7,646,620*
			8,387,133		*7,646,620*
Current assets					
Debtors	14	**224,381**		*161,314*	
Cash at bank and in hand		**898,628**		*739,599*	
		1,123,009		*900,913*	
Creditors: amounts falling due within one year	15	**(1,364,421)**		*(1,199,089)*	
Net current liabilities			**(241,412)**		*(298,176)*
Total assets less current liabilities			**8,145,721**		*7,348,444*
Creditors: amounts falling due after more than one year	16		**(2,383,915)**		*(2,109,490)*
Total net assets			**5,761,806**		*5,238,954*

BABINGTON HOUSE SCHOOL LIMITED

(A company limited by guarantee)
Registered number: 00610514

Balance Sheet (continued)
As at 31 August 2022

	Note		2022 £		*2021 £*
Charity funds					
Unrestricted funds					
Designated funds	18	**2,654,181**		*2,654,181*	
General funds	18	**3,107,625**		*2,584,773*	
Total unrestricted funds	18		**5,761,806**		*5,238,954*
Total funds			**5,761,806**		*5,238,954*

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

Christopher Lloyd Turner
Director
Date:

The notes on pages 16 to 33 form part of these financial statements.

BABINGTON HOUSE SCHOOL LIMITED

(A company limited by guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2022

	2022 £	*2021* *£*
Cash flows from operating activities		
Net cash used in operating activities	**931,103**	*731,562*
Cash flows from investing activities		
Dividends, interests and rents from investments	**24**	*564*
Purchase of tangible fixed assets	**(1,000,888)**	*(803,442)*
Net cash used in investing activities	**(1,000,864)**	**(802,878)**
Cash flows from financing activities		
Interest paid	**(74,199)**	*(113,624)*
Repayments of borrowing	**(114,872)**	*(2,096,510)*
New loans	**424,000**	*2,200,750*
Repayments of finance leases	**(6,139)**	*(23,428)*
Net cash provided by/(used in) financing activities	**228,790**	**(32,812)**
Change in cash and cash equivalents in the year	**159,029**	**(104,128)**
Cash and cash equivalents at the beginning of the year	**739,599**	*843,727*
Cash and cash equivalents at the end of the year	**898,628**	*739,599*

The notes on pages 16 to 33 form part of these financial statements

Notes to the Financial Statements For the Year Ended 31 August 2022

1. General information

Babington House School Limited is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Babington House School, Grange Drive, Chislehurst, Kent, BR7 5ES. The principal activity of the charitable company is to provide education and associated facilities.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Babington House School Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees assess whether the use of Going Concern is appropriate ie whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the Charity to continue as a Going Concern.

The Trustees note that at the 31 August 2022 there are net current liabilities of £241,412. This position is due to the receipt of fees in advance which are included in creditors as deferred income. There is no future cash flow associated with the receipt in advance, this along with the preparation of detailed budgets showing a positive cash flow enables the Trustees to conclude that there is no material uncertainty relating to going concern in this regard.

The Trustees make this assessment for the period of at least one year from the date of approval of these financial statements and have concluded that the Charity has adequate resouces to continue in operational existence for the forseeable future and that there are no material uncertainties about the Charity's ability to continue as a going concern, thus they have adopted the going concern accounting basis in preparing these financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. Accounting policies (continued)

2.4 Expenditure

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

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- 50 years straight line
Office equipment	- 25-33% straight line
Assets under construction	- not depreciated

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. Accounting policies (continued)

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

The Charity is also a member of a multi-employer plan. Where it is not possible for the Charity to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Grants	-	**-**	*60,382*
Total 2021	*60,382*	*60,382*	

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Provision of Education	6,003,162	**6,003,162**	*5,395,350*
Total 2021	*5,395,350*	*5,395,350*	

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Other income	127,203	**127,203**	*101,588*
Total 2021	*101,588*	*101,588*	

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Interest receivable	24	**24**	*564*
Total 2021	*564*	*564*	

7. School fees receivable

	2022 £	*2021 £*
Fees	**6,230,766**	*5,996,376*
Less:		
Scholarships, bursaries and fee discounts	**(520,796)**	*(639,973)*
	5,709,970	*5,356,403*

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total 2022 £	*Total 2021 £*
Provision of Education	5,607,537	**5,607,537**	*5,381,398*
Total 2021	*5,381,398*	*5,381,398*	

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	*As restated Total funds 2021 £*
Provision of Education	3,210,387	2,397,150	**5,607,537**	*5,381,398*
Total 2021 as restated	*2,999,604*	*2,381,794*	*5,381,398*	

Analysis of direct costs

	Provision of Education 2022 £	Total funds 2022 £	*As restated Total funds 2021 £*
Staff costs	3,029,161	**3,029,161**	*2,876,104*
Examination fees	11,447	**11,447**	*8,817*
Education requisites	96,394	**96,394**	*78,856*
School Trips	51,412	**51,412**	*26,377*
Non-payroll staff costs	21,973	**21,973**	*9,450*
	3,210,387	**3,210,387**	*2,999,604*
Total 2021 as restated	*2,999,604*	*2,999,604*	

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Provision of Education 2022 £	Total funds 2022 £	*As restated Total funds 2021 £*
Staff costs	705,467	**705,467**	*627,704*
Depreciation	260,375	**260,375**	*268,755*
Legal & Professional	28,605	**28,605**	*61,166*
Advertising	67,927	**67,927**	*54,424*
Catering	305,811	**305,811**	*325,331*
Utility charges	40,083	**40,083**	*27,030*
Motor and travel	50,870	**50,870**	*34,278*
Printing, postage and stationery	103,087	**103,087**	*78,671*
Debt collection costs	21,834	**21,834**	*22,819*
Staff training and recruitment	104,934	**104,934**	*69,020*
Telephone	17,425	**17,425**	*16,175*
Computer and IT	136,002	**136,002**	*120,822*
Bad debt cost	(3,601)	**(3,601)**	*84,241*
School activities	97,526	**97,526**	*24,369*
Premises	261,229	**261,229**	*205,575*
Insurance	39,703	**39,703**	*34,908*
Interest	74,199	**74,199**	*113,624*
Other	46,396	**46,396**	*186,929*
Non - Payroll Staff Costs	25,733	**25,733**	*14,853*
Governance costs	13,545	**13,545**	*11,100*
	2,397,150	**2,397,150**	*2,381,794*
Total 2021 as restated	*2,381,794*	*2,381,794*	

10. Auditors' remuneration

	2022 £	*As restated 2021 £*
Fees payable to Xeinadin Audit Limited for the audit of the Charity's annual accounts	**8,340**	*8,340*
Fees payable to Xeinadin Audit Limited and its associates in respect of:		
All non-audit services not included above	**5,358**	*4,980*

11. Staff costs

	2022 £	*2021* *£*
Wages and salaries	**2,989,911**	*2,823,198*
Social security costs	**287,157**	*239,273*
Contribution to defined contribution pension schemes	**457,560**	*441,337*
	3,734,628	*3,503,808*

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	*2021* *No.*
Teaching staff	**49**	*53*
Classroom support	**43**	*25*
Administration	**18**	*34*
	110	*112*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	*2021* *No.*
In the band £60,001 - £70,000	**1**	*1*
In the band £70,001 - £80,000	**1**	*1*
In the band £100,001 - £110,000	**-**	*1*
In the band £110,001 - £120,000	**1**	-

Key management personnel comprise the Senior Leadership Team. The total benefits received by key management personnel, including pension contributions, in the year was £412,713 (2021: £457,732).

12. Trustees' remuneration and expenses

During the year, no Directors received any remuneration or other benefits *(2021 - £NIL)*.

During the year ended 31 August 2022, no Director expenses have been incurred *(2021 - £NIL)*.

Notes to the Financial Statements
For the Year Ended 31 August 2022

13. Tangible fixed assets

	Freehold property £	Office equipment £	Assets Under Construction £	Total £
Cost or valuation				
At 1 September 2021	**7,280,842**	**1,257,005**	**550,366**	**9,088,213**
Additions	**291,138**	**313,868**	**395,882**	**1,000,888**
Transfers between classes	**867,411**	**-**	**(867,411)**	**-**
At 31 August 2022	**8,439,391**	**1,570,873**	**78,837**	**10,089,101**
Depreciation				
At 1 September 2021	**376,648**	**1,064,945**	**-**	**1,441,593**
Charge for the year	**85,856**	**174,519**	**-**	**260,375**
At 31 August 2022	**462,504**	**1,239,464**	**-**	**1,701,968**
Net book value				
At 31 August 2022	**7,976,887**	**331,409**	**78,837**	**8,387,133**
At 31 August 2021	*6,904,194*	*192,060*	*550,366*	*7,646,620*

Included in land and buildings is freehold land at deemed cost of £2,325,000 (2021 - £2,325,000), which is not depreciated.

Included within the net book value of Equipment is £Nil (2021 - £3,703) relating to assets held under hire purchase agreements. The depreciation charged in respect of these assets during the year was £3,703 (2021 - £22,221).

14. Debtors

	2022 £	*2021 £*
Due within one year		
Trade debtors	**111,980**	*88,717*
Other debtors	**20,528**	*5,097*
Prepayments and accrued income	**91,873**	*67,500*
	224,381	*161,314*

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	**120,568**	*131,156*
Trade creditors	**209,542**	*137,783*
Other taxation and social security	**67,887**	*72,467*
Obligations under finance lease and hire purchase contracts	**-**	*6,139*
Other creditors	**443,304**	*497,769*
Accruals and deferred income	**523,120**	*353,775*
	1,364,421	*1,199,089*

	2022 £	2021 £
Deferred income at 1 September 2021	**224,083**	*138,176*
Resources deferred during the year	**343,984**	*286,001*
Amounts released from previous periods	**(207,466)**	*(200,094)*
	360,601	*224,083*

Income has been deferred in respect of school fee income, extra curricular activity income and school trip income received relating to the next financial year.

16. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans	**2,367,288**	*2,047,572*
Accruals and deferred income	**16,627**	*61,918*
	2,383,915	*2,109,490*

Included within the above are amounts falling due as follows:

	2022 £	2021 £
Between one and two years		
Bank loans	**142,060**	*137,503*
Between two and five years		
Bank loans	**439,408**	*434,164*
Over five years		
Bank loans	**1,785,820**	*1,475,905*

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2022 £	*2021* *£*
Payable or repayable other than by instalments	**1,785,820**	*1,475,905*
	1,785,820	*1,475,905*

The loan balance comprises two loans from Lloyds Bank Plc.

The first loan was taken out in June 2021. The loan is secured by a legal charge over the freehold land and buildings and by a debenture over the assets of the Charitable Company. The loan is repaid in monthly instalments with interest charged at 3.45% for 60 months, then 2.45% above base rate going forward. The loan is repayable in 15 years from the first drawdown.

The second loan was taken out in July 2022. The loan is secured by a legal charge over the freehold land and buildings and by a debenture over the assets of the Charitable Company. The loan is repaid in monthly instalments with interest charged at 2.45% above base rate. The loan is repayable in 15 years from the first drawdown.

17. Financial instruments

	2022 £	*2021* *£*
Financial assets		
Financial assets measured at fair value through income and expenditure	**898,628**	*739,599*

Notes to the Financial Statements
For the Year Ended 31 August 2022

18. Statement of funds

Statement of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
Unrestricted funds				
Designated funds				
Designated Funds	**2,149,814**	**-**	**-**	**2,149,814**
Building fund	**447,094**	**-**	**-**	**447,094**
Old Babingtonians	**57,273**	**-**	**-**	**57,273**
	2,654,181	**-**	**-**	**2,654,181**
General funds				
General fund	**2,584,773**	**6,130,389**	**(5,607,537)**	**3,107,625**
Total Unrestricted funds	**5,238,954**	**6,130,389**	**(5,607,537)**	**5,761,806**

Designated funds represent amounts set aside for the upkeep and improvement of the school building.

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2020 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Balance at 31 August 2021* £
Unrestricted funds					
Designated funds					
Designated Funds	*2,149,814*	*-*	*-*	*-*	*2,149,814*
Building fund	*583,106*	*-*	*-*	*(136,012)*	*447,094*
Old Babingtonians	*-*	*57,273*	*-*	*-*	*57,273*
	2,732,920	*57,273*	*-*	*(136,012)*	*2,654,181*
General funds					
General fund	*2,329,548*	*5,500,611*	*(5,381,398)*	*136,012*	*2,584,773*
Total Unrestricted funds	*5,062,468*	*5,557,884*	*(5,381,398)*	*-*	*5,238,954*

19. Summary of funds

Summary of funds - current year

	Balance at 1 September 2021 £	**Income** £	**Expenditure** £	**Balance at 31 August 2022** £
Designated funds	**2,654,181**	**-**	**-**	**2,654,181**
General funds	**2,584,773**	**6,130,389**	**(5,607,537)**	**3,107,625**
	5,238,954	**6,130,389**	**(5,607,537)**	**5,761,806**

19. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 September 2020 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Balance at 31 August 2021* £
Designated funds	*2,732,920*	*57,273*	*-*	*(136,012)*	*2,654,181*
General funds	*2,329,548*	*5,500,611*	*(5,381,398)*	*136,012*	*2,584,773*
	5,062,468	*5,557,884*	*(5,381,398)*	*-*	*5,238,954*

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	**Total funds 2022** £
Tangible fixed assets	8,387,133	**8,387,133**
Current assets	1,123,009	**1,123,009**
Creditors due within one year	(1,364,421)	**(1,364,421)**
Creditors due in more than one year	(2,383,915)	**(2,383,915)**
Total	5,761,806	**5,761,806**

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	*Total funds 2021* £
Tangible fixed assets	*7,646,620*	*7,646,620*
Current assets	*900,913*	*900,913*
Creditors due within one year	*(1,199,089)*	*(1,199,089)*
Creditors due in more than one year	*(2,109,490)*	*(2,109,490)*
Total	*5,238,954*	*5,238,954*

Notes to the Financial Statements
For the Year Ended 31 August 2022

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	*2021 £*
Net income for the year (as per Statement of Financial Activities)	**522,852**	*176,486*
Adjustments for:		
Depreciation charges	**260,375**	*268,755*
Interest paid	**74,199**	*113,624*
Interest received	**(24)**	*(564)*
Increase/(decrease) in creditors	**136,768**	*14,224*
Decrease/(increase) in debtors	**(63,067)**	*158,514*
Profit / (loss) on disposal of fixed assets	**-**	*523*
Net cash provided by operating activities	**931,103**	*731,562*

22. Analysis of cash and cash equivalents

	2022 £	*2021 £*
Cash in hand	**898,628**	*739,599*
Total cash and cash equivalents	**898,628**	*739,599*

23. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	**739,599**	**159,029**	**898,628**
Debt due within 1 year	**(131,156)**	**10,588**	**(120,568)**
Debt due after 1 year	**(2,047,572)**	**(319,716)**	**(2,367,288)**
Finance leases	**(6,139)**	**6,139**	**-**
	(1,445,268)	**(143,960)**	**(1,589,228)**

24. Capital commitments

	2022 £	*2021* *£*
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	**9,799**	*335,651*

25. Pension commitments

The Charity's employees belong to two principal pension schemes: the Teachers' Pension Scheme for England and Wales (TPS) for teaching and related staff which is a multi-employer defined benefit scheme, and; a Group Personal Pension Plan for other staff members, which is a defined contribution scheme.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016.

Contributions amounting to £60,847 are payable to the schemes as at 31 August 2022 (2021 - £55,048) and are included within creditors.

Teachers' Pension Scheme
The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go 'basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

The next valuation is expected to take effect in 2023.

A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website:https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx

25. Pension commitments (continued)

Scheme Changes

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, rejected the Government's application for permission to appeal the Court of Appeal's ruling and subsequently referred the case to an Employment Tribunal to determine a remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

Defined contribution scheme

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £46,462 (2021 - £40,109) Amounts totaling £6,938 (2021 - £7,673) were payable to the fund at the balance sheet date and are included in creditors.

Notes to the Financial Statements
For the Year Ended 31 August 2022

26. Operating lease commitments

At 31 August 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	*As restated 2021 £*
Not later than 1 year	**16,700**	*29,083*
Later than 1 year and not later than 5 years	**16,685**	*33,385*
	33,385	*62,468*

27. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

28. Related party transactions

Various Directors paid fees totalling £40,189 (2021: £37,155) to the charity as the parents of pupils attending the school. At the year end there were outstanding fees of £Nil (2021: £Nil). All fees are on arm's length terms.

During the year, expenditure amounting to £Nil (2021: £136,476) was paid to Gen2 Property Ltd, of which Hayley Jane Porter-Aslet is a Director, relating to project management fees regarding the building works in year. The balance outstanding at year end is £Nil (2021: £nil).

BABINGTON HOUSE SCHOOL LTD

England & Wales - Charity number 307914

Accounts

Registered number: 00610514
Charity number: 307914

BABINGTON HOUSE SCHOOL LIMITED

(A company limited by guarantee)

Directors' Report and Financial Statements

For the Year Ended 31 August 2021

BABINGTON HOUSE SCHOOL LIMITED
(A company limited by guarantee)

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BABINGTON HOUSE SCHOOL LIMITED

(A company limited by guarantee)

Reference and Administrative Details of the Charity, its Directors and Advisers For the Year Ended 31 August 2021

Directors	Kate Clarke, Trustee Nicola Georgina Howard, Trustee (resigned 4 November 2020) William James Magill, Trustee Hayley Jane Porter-Aslet, Trustee Steven Thompson, Trustee (resigned 31 December 2020) Christopher Lloyd Turner, Trustee Justin Turner, Trustee Mads Hannibal, Trustee (appointed 26 August 2021) Elizabeth Channon, Trustee (appointed 26 August 2021) Palin Goodley-Ozcan, Trustee (appointed 26 August 2021, resigned 4 November 2021) Ashley Moss, Trustee (appointed 26 August 2021) Jonathan Bentley, Trustee (appointed 4 March 2021, resigned 20 November 2021) Ben Roberts, Trustee (appointed 4 November 2021)
Company registered number	00610514
Charity registered number	307914
Registered office	Grange Drive Chislehurst Kent BR7 5ES
Independent auditors	Williams Giles Professional Services Ltd Chartered Accountants Statutory Auditors Sittingbourne Kent ME10 5BH
Bankers	Barclays Bank PLC 7 High Street Chislehurst Kent

Directors' Report
For the Year Ended 31 August 2021

The Directors present their annual report together with the audited financial statements of the Babington House School Limited for the 1 September 2020 to 31 August 2021. The Annual report serves the purposes of both a Directors' report and a directors' report under company law. The Directors confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) as amended by Update Bulletin 1 (effective January 2019).

Objectives and activities

a. Policies and objectives

The object of the Company is the provision of education and associated facilities.

In setting objectives and planning for activities, the Directors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

The School's aims are set out in its Mission Statement:

- Striving for academic rigour in all areas and encouraging pupils to become confident and able to think for themselves.
- Promoting high standards of behaviour, dress and conduct, benefiting from small class sizes and a strong sense of community.
- A commitment to outstanding music, drama, sport and the arts in their broadest sense and offering a wide array of clubs, societies and extra curricular opportunities.
- Creating a learning environment which caters for the needs of each individual and ensures pupils develop new skills, broaden their knowledge and achieve their potential.
- Within a broad Christian context, the promotion of ideals of honesty, integrity, trust and respect.
- Cultivating a relationship between home and school that promotes mutual cooperation and support.

c. Activities undertaken to achieve objectives

In practice the objectives are achieved via the provision of co-educational day schooling for pupils from 3 years old until 18.

d. Social investment policies

Although Babington House is primarily a fee paying school, a number of scholarship awards are available to talented and bursary awards to disadvantaged children from the local community. The number of scholarship and bursary places is currently 71 (2020: 78) and scholarships and bursary provision paid for from School funds during the year under report amounted to £482,694 (2020: £547,066).

We are also very proud that the school offers a small number of full scholarships to Sixth Form pupils who had previously attended large state schools in under deprived areas of SE London. These pupils join our community and make the most of the opportunities here, helping to create a vibrant and diverse community.
Working with a small group of local business people, The Headmaster helped to set up a scheme for some Babington Sixth Form pupils to receive funding through their university courses who would otherwise not be in a position to afford to go to the universities of their choice.

Objectives and activities (continued)

e. Facilities

The school has undertaken significant refurbishment and internal building development since 2016 which enables it to be well placed to provide a modern environment for the children and staff to enjoy, which complements and supports the School's teaching. The school is currently being extended to incorporate an additional classroom for senior school.

Strategic report

Achievements and performance

a. Main achievements of the Charity

The school is one of the highest achieving schools in the London Borough of Bromley. The Board will seek to ensure that educational standards are upheld in line with the Mission Statement so that this position is maintained.

b. Key performance indicators

Though the school does not, of course, measure its success solely in terms of the academic performance of its pupils, the Board is pleased to report that this year's A Level examinations results published in 2021 were remarkable with 79% A* - A grades and 92% A* - B. Two thirds of our students achieved straight As and A* grades in all their subjects. At GCSE our results were equally impressive with 68% of students achieving 9-7 (7 being the equivalent of the old A Grade). Both A Level and GCSE grades were externally moderated by the examination boards this year and our recommendations (Centre Assessed Grades) were upheld.

We were extremely pleased that these pupils surpassed their expectations due to their hard work and the support they received at Babington. In fact all the students achieved the grades they needed to go on to the universities of their choice. We currently have former pupils at Leeds (Maths), Kings London (Medicine), LSE (Economics), Edinburgh (English), Bristol (Economics), Southampton (Chemistry), Southampton (History), Bath (Physics), UCL (Mechanical Engineering), Birmingham (Dentistry), Birmingham (Pharmacy), Birmingham (Biomedical Science) and Brighton (Business).

We continue to forge strong links with the top universities and industry placements. For example, two pupils are currently on the prestigious degree internship at the major engineering company Thalis. Thalis will fund the degree course, pay them in excess of £20,000 a year and provide them with jobs at the end of their course. This came out of the work experience we arranged for them at Thalis.

Lower down the school we achieved a 90% success rate in the external (Year 6) 11+ grammar school examinations in 2021.

Strategic report (continued)

Achievements and performance (continued)

c. Review of activities

Charities and community work

The school regularly sends Senior pupils to form part of the Bromley Youth Council, who make an important contribution to the democratic process in the Borough.
The school raises a considerable amount for various charities. These include; Bromley Food Bank, Pedal push for NSPCC, Ramble for BBC Children in Need, Children of the Mountain in Nepal and other fundraising events in the current news, such as the Australian Bush Fires Appeal. We were able to raise a considerable amount of money to install a playground for a school in one of the most deprived areas of Cape Town, South Africa and a group of Babington pupils were fortunate to visit this project last Summer where they met the South African Prime Minister who praised Babington House's fundraising efforts for the Uthando Charity and awareness building campaign.

The Early Years have achieved Mayor of London's Healthy Early Years London Award, this focuses on: learning, SEND provision, communication and language, health and well-being – all of the areas judged was heavily evidenced based.

Educational Trips and Outings

Because of the COVID pandemic the school has not been able to run educational trips and outings but recent residential trips before the pandemic included South Africa, Kenya, Sayers Croft, Bore Place, Weymouth and the regular ski trip to the Alps. Drama, Sport and co-curricular

Drama, Sport and co-curricular

Because of the restrictions placed upon us by the COVID pandemic we have enjoyed less drama and competitive sport than in most years, but we are still top of the Bromley Netball League in the Under 13, 14 and 16 levels. We have represented Kent in our Babington House Ski Team, the SE Region for Swimming and Athletics for the Nationals. The carol services and prize giving award ceremonies were well received by parents. We have enjoyed World Book Week, British Science Week and History Week as cross curricular initiatives. The very well-produced whole school drama productions prior to the pandemic included Alice in Wonderland, Seussical the Musical and A Midsummer Night's Dream.

d. Factors relevant to achieve objectives

The school aims to enable its students to meet the challenges of the 21st Century and to create a learning environment which caters for the needs of each individual and promotes active learning and individual success.

The School was last inspected November 2016 in which the School was judged to be 'Excellent' in all areas of school life.

The School continues to encourage its pupils to develop a sense of social responsibility and an understanding of the plight of others less fortunate than themselves. Fund-raising schemes have enabled pupils to raise funds for nominated charities and good causes, and in so doing learn more about the activities of the charities and causes in question.

Strategic report (continued)

Achievements and performance (continued)

e. Fundraising activities and income generation

The School has had funds donated to it by the Babington House School Friends Association which is a voluntary group of parents who meet to organise social events to raise money for the School. Meetings are attended by members of the Senior Leadership Team. The charitable objectives of the BHSFA are as follows:

- To advance the education of pupils in the school in particular by developing effective relationships between the staff, parents and others associated with the school.
- Engaging in activities or providing facilities or equipment which support the school and advance the education of the pupils.

No complaints have been received in respect of fund-raising activities.

Financial review

a. Going concern

As noted below free reserves are in deficit at 31 August 2021, however the cash position is positive and future cash flow projections and budgets indicate that there is no material uncertainty in relation to going concern.

After making appropriate enquiries, the Directors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

Reserves are held by the School to cope with unexpected events such as falls in income or exceptional items of expenditure. This is important to ensure the School has sufficient reserves while it takes remedial action if necessary, thereby creating stability.

Free reserves of the charity at 31 August 2021 were in surplus by £2,584,773, however this includes a mortgage debt attached to the property of £2,178,728 so free reserves excluding any secured balances amounted to a surplus of £406,045. There is no future cash flow associated with the receipt of advance fees, this along with the preparation of detailed budgets showing a positive cash flow enables the Trustees to conclude that there is no material uncertainty relating to going concern in this regard. Trustees aim to maintain at least three month's of operational costs as cash balances which at 31 August 2021 would amount to £1,341,472, the actual cash balance was £739,599 (2020: £843,728).

c. Principal risks and uncertainties

In consultation with key management the Directors continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. It monitors the effectiveness of the system of internal control and other viable means, including insurance cover where appropriate, by which those risks already identified can be best mitigated. The Directors, Senior Leadership Team and all staff work hard to ensure the school maintains its high quality and holds firm to its core values. They also strive to make sure there is a whole school appreciation of the importance of pupil recruitment. There is also a culture of embracing change and diversification, where this is set to improve the school, such as;

1. Selectivity and academic drive in general and the introduction of an 11+ entrance test.

2. The school sets its own educational direction, tactics and strategic direction and is courageous in maintaining an outstanding provision which is professionally determined and rigorously maintained.

d. Principal funding

The principal funding source to enable the School to operate in its normal course of business remains the fees paid by parents. The School does not have any endowments.

e. Review of the year

During the year under review the School recorded a surplus of income over expenditure of £176,486 (2020: £474,164).

Structure, governance and management

a. Constitution

Babington House School Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Methods of appointment or election of Directors

New Directors are recruited by approaching individuals whose area of expertise is considered will help the school pursue its endeavours. The school also seeks the active involvement of parents. After meeting existing Directors under the guidance of the Chairman, applicants are either accepted or rejected. Suitable induction training is arranged.

c. Organisational structure and decision-making policies

The Directors, with the help of the Headmaster, are responsible for the overall direction of the school. The running of the school is the responsibility of the Headmaster, with the help of his Senior Leadership Team.

d. Policies adopted for the induction and training of Directors

Suitable induction training is arranged for each new Director appointed.

e. Pay policy for key management personnel

The Headmaster's pay and remuneration is set by the Chairman of the Governors, other Governors and advisors following appraisal. The rest of the Senior Leadership Team have their pay and remuneration recommended to the Pay Committee by the Headmaster following appraisals.

f. Related party relationships

There are relationships with some of the Directors who have children in attendance at the school. School fees are charged to these Directors in line with all pupils on an arm's length basis.

g. Financial risk management

The Directors have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

The School looks to achieve a full Roll and it currently has a waiting list in Nursery up to 2023, as well as waiting lists in several other year groups including Reception and Years 4, 5 and 6. The school created two year 7 forms in September 2019 to cater for the high demand for places.

Directors' Report (continued)
For the Year Ended 31 August 2021

Statement of Directors' responsibilities

The Directors (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Directors' report including the Strategic report 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 . Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

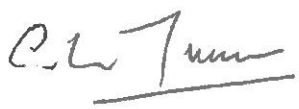
Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The directors have re-appointed Williams Giles Professional Services Ltd as auditor for Year ending 31st August 2022.

Approved by order of the members of the board of Directors and signed on their behalf by:



Christopher Lloyd Turner
Director
Date: 10 March 2022

Independent Auditors' Report to the Members of Babington House School Limited

Opinion

We have audited the financial statements of Babington House School Limited (the 'charity') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent Auditors' Report to the Members of Babington House School Limited (continued)

Other information

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

We have nothing to report in this regard.

Opinion 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 Directors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report including the Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 trustees

As explained more fully in the Directors' responsibilities statement, the Directors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report to the Members of Babington House School Limited (continued)

Auditors' 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 Auditors' 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:

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

1. Assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud may occur.

2. Held discussions with the client regrading their policies and procedures on complience with laws and regulations.

3. Held discussions with the client regarding their policies and procedures on fraud risks, including knowledge of any actual suspected or alleged fraud.

We consider the entity's controls effective in identifying fraud. We do not consider there to be significant difficulty in detecting irregularaties.

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. This description forms part of our Auditors' report.

Use of our report

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

Alastair Crawford FCA (Senior statutory auditor)
for and on behalf of
Williams Giles Professional Services Ltd
Chartered Accountants
Statutory Auditors
Sittingbourne
Kent
ME10 5BH

Date: 21 MARCH 2022

BABINGTON HOUSE SCHOOL LIMITED

(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2021

	Note	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from:				
Donations and legacies	3	**60,382**	**60,382**	*194,683*
Charitable activities	4	**5,395,350**	**5,395,350**	*4,961,091*
Other trading activities	5	**101,588**	**101,588**	*3,705*
Investments	6	**564**	**564**	*3,168*
Total income		**5,557,884**	**5,557,884**	*5,162,647*
Expenditure on:				
Charitable activities	8	**5,381,398**	**5,381,398**	*4,688,482*
Total expenditure		**5,381,398**	**5,381,398**	*4,688,482*
Net movement in funds		**176,486**	**176,486**	*474,165*
Reconciliation of funds:				
Total funds brought forward		**5,062,468**	**5,062,468**	*4,588,303*
Net movement in funds		**176,486**	**176,486**	*474,165*
Total funds carried forward		**5,238,954**	**5,238,954**	*5,062,468*

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 32 form part of these financial statements.

BABINGTON HOUSE SCHOOL LIMITED

(A company limited by guarantee)
Registered number: 00610514

Balance Sheet
As at 31 August 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	13		**7,646,620**		*7,112,456*
			7,646,620		*7,112,456*
Current assets					
Debtors	14	**161,314**		*319,828*	
Cash at bank and in hand		**739,599**		*843,728*	
		900,913		*1,163,556*	
Creditors: amounts falling due within one year	15	**(1,199,089)**		*(1,134,599)*	
Net current liabilities / assets			**(298,176)**		*28,957*
Total assets less current liabilities			**7,348,444**		*7,141,413*
Creditors: amounts falling due after more than one year	16		**(2,109,490)**		*(2,078,945)*
Total net assets			**5,238,954**		*5,062,468*
Charity funds					
Unrestricted funds					
Designated funds	18	**2,654,181**		*2,732,920*	
General funds	18	**2,584,773**		*2,329,548*	
Total unrestricted funds	18		**5,238,954**		*5,062,468*
Total funds			**5,238,954**		*5,062,468*

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Directors on 10 March 2022 and signed on their behalf by:

C. L Turner

Christopher Lloyd Turner
Director

The notes on pages 15 to 32 form part of these financial statements.

BABINGTON HOUSE SCHOOL LIMITED
(A company limited by guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2021

	2021 £	*2020* *£*
Cash flows from operating activities		
Net cash used in operating activities	**731,562**	*745,429*
Cash flows from investing activities		
Dividends, interests and rents from investments	**564**	*3,167*
Purchase of tangible fixed assets	**(803,442)**	*(252,094)*
Net cash used in investing activities	**(802,878)**	**(248,927)**
Cash flows from financing activities		
Interest paid	**(113,624)**	*(110,399)*
Repayments of borrowing	**(2,096,510)**	*(91,684)*
New loans	**2,200,750**	-
Repayments of finance leases	**(23,428)**	*(21,770)*
Net cash used in financing activities	**(32,812)**	**(223,853)**
Change in cash and cash equivalents in the year	**(104,128)**	**272,649**
Cash and cash equivalents at the beginning of the year	**843,727**	*571,078*
Cash and cash equivalents at the end of the year	**739,599**	*843,727*

The notes on pages 15 to 32 form part of these financial statements

Notes to the Financial Statements
For the Year Ended 31 August 2021

1. General information

Babington House School Limited is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Babington House School, Grange Drive, Chislehurst, Kent, BR7 5ES. The principal activity of the charitable company is to provide education and associated facilities.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Babington House School Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees assess whether the use of Going Concern is appropriate ie whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the Charity to continue as a Going Concern.

The Trustees note that at the 31 August 2021 there are net current liabilities of £297,176. This position is due to the receipt of fees in advance which are included in creditors as deferred income. There is no future cash flow associated with the receipt in advance, this along with the preparation of detailed budgets showing a positive cash flow enables the Trustees to conclude that there is no material uncertainty relating to going concern in this regard.

The Trustees make this assessment for the period of at least one year from the date of approval of these financial statements and have concluded that the Charity has adequate resouces to continue in operational existence for the forseeable future and that there are no material uncertainties about the Charity's ability to continue as a going concern, thus they have adopted the going concern accounting basis in preparing these financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. Accounting policies (continued)

2.4 Expenditure

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

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- 50 years straight line
Motor vehicles	- 25% reducing balance
Equipment	- 25-33% straight line
Assets under construction	-

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. Accounting policies (continued)

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

The Charity is also a member of a multi-employer plan. Where it is not possible for the Charity to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Notes to the Financial Statements
For the Year Ended 31 August 2021

3. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Donations	-	-	*9,500*
Grants	60,382	**60,382**	*185,183*
	60,382	**60,382**	*194,683*
Total 2020	*194,683*	*194,683*	

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Provision of Education	5,395,350	**5,395,350**	*4,961,091*
Total 2020	*4,961,091*	*4,961,091*	

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Exam fees	-	-	*932*
Other income	101,588	**101,588**	*2,773*
	101,588	**101,588**	*3,705*
Total 2020	*3,705*	*3,705*	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Interest receivable	564	564	*3,168*
Total 2020	*3,168*	*3,168*	

7. School fees receivable

	2021 £	*2020 £*
Fees	5,996,376	*5,910,064*
Less:		
Scholarships, bursaries and fee discounts	(639,973)	*(765,804)*
	5,356,403	*5,144,260*

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Provision of Education	5,381,398	5,381,398	*4,688,482*
Total 2020	*4,688,482*	*4,688,482*	

Notes to the Financial Statements
For the Year Ended 31 August 2021

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	*Total funds 2020 £*
Provision of Education	3,528,111	1,853,287	**5,381,398**	*4,688,482*
Total 2020	*3,268,564*	*1,419,918*	*4,688,482*	

Analysis of direct costs

	Provision of Education 2021 £	Total funds 2021 £	*Total funds 2020 £*
Staff costs	3,503,808	**3,503,808**	*3,223,075*
Non-payroll staff costs	24,303	**24,303**	*45,489*
	3,528,111	**3,528,111**	*3,268,564*
Total 2020	*3,268,564*	*3,268,564*	

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Provision of Education 2021 £	Total funds 2021 £	*Total funds 2020 £*
Depreciation	268,755	**268,755**	*214,914*
Examination fees	8,817	**8,817**	*13,182*
Education requisites	78,856	**78,856**	*80,373*
Legal & Professional	61,166	**61,166**	*25,206*
Advertising	54,424	**54,424**	*44,075*
Catering	325,331	**325,331**	*249,420*
Utility charges	27,030	**27,030**	*33,180*
Motor and travel	34,278	**34,278**	*43,004*
Printing, postage and stationery	78,671	**78,671**	*26,328*
Debt collection costs	22,819	**22,819**	*13,242*
Staff training and recruitment	69,020	**69,020**	*64,034*
Telephone	16,175	**16,175**	*13,475*
School Trips	26,377	**26,377**	*39,846*
Computer and IT	120,822	**120,822**	*71,810*
Bad debt cost	84,241	**84,241**	*40,000*
School activities	24,369	**24,369**	*52,441*
Premises	205,575	**205,575**	*204,157*
Insurance	34,908	**34,908**	*38,319*
Interest	113,624	**113,624**	*110,397*
Other	186,929	**186,929**	*25,238*
Governance costs	11,100	**11,100**	*17,277*
	1,853,287	**1,853,287**	*1,419,918*
Total 2020	*1,419,918*	*1,419,918*	

10. Auditors' remuneration

	2021 £	*2020 £*
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**6,950**	*6,950*
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	**4,150**	*7,954*

11. Staff costs

	2021 £	2020 £
Wages and salaries	**2,823,198**	*2,579,413*
Social security costs	**239,273**	*242,014*
Contribution to defined contribution pension schemes	**441,337**	*401,648*
	3,503,808	*3,223,075*

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	2020 No.
Teaching staff	**53**	*53*
Classroom support	**25**	*38*
Administration	**34**	*17*
	112	*108*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	2020 No.
In the band £60,001 - £70,000	**1**	*1*
In the band £70,001 - £80,000	**1**	-
In the band £100,001 - £110,000	**1**	-
In the band £110,001 - £120,000	**-**	*1*

Key management personnel comprise the Senior Leadership Team. The total benefits received by key management personnel, including pension contributions, in the year was £457,732 (2020: £408,844).

12. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits *(2020 - £NIL)*.

During the year ended 31 August 2021, no Director expenses have been incurred *(2020 - £NIL)*.

13. Tangible fixed assets

	Freehold property £	Motor vehicles £	Office equipment £	Assets Under Construction £	Total £
Cost or valuation					
At 1 September 2020	**7,144,830**	**22,021**	**1,139,941**	**-**	**8,306,792**
Additions	**136,012**	**-**	**117,064**	**550,366**	**803,442**
Disposals	**-**	**(22,021)**	**-**	**-**	**(22,021)**
At 31 August 2021	**7,280,842**	**-**	**1,257,005**	**550,366**	**9,088,213**
Depreciation					
At 1 September 2020	**276,739**	**21,498**	**896,099**	**-**	**1,194,336**
Charge for the year	**99,909**	**-**	**168,846**	**-**	**268,755**
On disposals	**-**	**(21,498)**	**-**	**-**	**(21,498)**
At 31 August 2021	**376,648**	**-**	**1,064,945**	**-**	**1,441,593**
Net book value					
At 31 August 2021	**6,904,194**	**-**	**192,060**	**550,366**	**7,646,620**
At 31 August 2020	*6,868,091*	*523*	*243,842*	*-*	*7,112,456*

Included in land and buildings is freehold land at deemed cost of £2,325,000 (2020 - £2,325,000), which is not depreciated.

Included within the net book value of Equipment is £3,703 (2020 - £25,924) relating to assets held under hir purchase agreements. The depreciation charged in respect of these assets during the year was £22,221 (2020 - £22,221).

14. Debtors

	2021 £	*2020 £*
Due within one year		
Trade debtors	**88,717**	*174,497*
Other debtors	**5,097**	*76,231*
Prepayments and accrued income	**67,500**	*69,100*
	161,314	*319,828*

Notes to the Financial Statements
For the Year Ended 31 August 2021

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	**131,156**	*91,684*
Trade creditors	**137,783**	*75,479*
Other taxation and social security	**72,467**	*65,702*
Obligations under finance lease and hire purchase contracts	**6,139**	*25,543*
Other creditors	**497,769**	*728,507*
Accruals and deferred income	**353,775**	*147,684*
	1,199,089	*1,134,599*

16. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	**2,047,572**	*1,982,804*
Net obligations under finance lease and hire purchase contracts	**-**	*4,024*
Accruals and deferred income	**61,918**	*92,117*
	2,109,490	*2,078,945*

Included within the above are amounts falling due as follows:

	2021 £	2020 £
Between one and two years		
Bank loans	**137,503**	*91,684*
Between two and five years		
Bank loans	**434,164**	*366,737*
Over five years		
Bank loans	**1,475,905**	*1,524,383*

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021 £	*2020* *£*
Payable or repayable other than by instalments	**1,475,905**	*1,524,383*
	1,475,905	*1,524,383*

The loan balance comprises a loan from Lloyds Bank Plc taken out in June 2021. The loans is secured by a legal charge over the freehold land and buildings and by a debenture over the assets of the Charitable Company. The loan is repaid in monthly instalments with interest charged at 2.45% above base rate. The loan is repayable in 15 years from the first drawdown.

17. Financial instruments

	2021 £	*2020* *£*
Financial assets		
Financial assets measured at fair value through income and expenditure	**739,599**	*843,728*

Notes to the Financial Statements
For the Year Ended 31 August 2021

18. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2021 £
Unrestricted funds					
Designated funds					
Designated Funds	2,149,814	-	-	-	2,149,814
Building fund	583,106	-	-	(136,012)	447,094
Old Babingtonians	-	57,273	-	-	57,273
	2,732,920	57,273	-	(136,012)	2,654,181
General funds					
General fund	2,329,548	5,500,611	(5,381,398)	136,012	2,584,773
Total Unrestricted funds	5,062,468	5,557,884	(5,381,398)	-	5,238,954

Designated funds represent amounts set aside for the upkeep and improvement of the school building.

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2019 £	*Income £*	*Expenditure £*	*Balance at 31 August 2020 £*
Unrestricted funds				
Designated funds				
Designated Funds	*2,149,814*	-	-	*2,149,814*
Building fund	*583,106*	-	-	*583,106*
	2,732,920	-	-	*2,732,920*
General funds				
General Funds	*1,855,383*	*5,162,647*	*(4,688,482)*	*2,329,548*
Total Unrestricted funds	*4,588,303*	*5,162,647*	*(4,688,482)*	*5,062,468*

19. Summary of funds

Summary of funds - current year

	Balance at 1 September 2020 £	**Income £**	**Expenditure £**	**Transfers in/out £**	**Balance at 31 August 2021 £**
Designated funds	**2,732,920**	**57,273**	**-**	**(136,012)**	**2,654,181**
General funds	**2,329,548**	**5,500,611**	**(5,381,398)**	**136,012**	**2,584,773**
	5,062,468	**5,557,884**	**(5,381,398)**	**-**	**5,238,954**

19. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 September 2019 £	*Income* £	*Expenditure* £	*Balance at 31 August 2020* £
Designated funds	*2,732,920*	-	-	*2,732,920*
General funds	*1,855,383*	*5,162,647*	*(4,688,482)*	*2,329,548*
	4,588,303	*5,162,647*	*(4,688,482)*	*5,062,468*

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	**Total funds 2021** £
Tangible fixed assets	7,646,620	**7,646,620**
Current assets	900,913	**900,913**
Creditors due within one year	(1,199,089)	**(1,199,089)**
Creditors due in more than one year	(2,109,490)	**(2,109,490)**
Total	5,238,954	**5,238,954**

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	*Total funds 2020* £
Tangible fixed assets	*7,112,456*	*7,112,456*
Current assets	*1,163,556*	*1,163,556*
Creditors due within one year	*(1,134,599)*	*(1,134,599)*
Creditors due in more than one year	*(2,078,945)*	*(2,078,945)*
Total	*5,062,468*	*5,062,468*

Notes to the Financial Statements
For the Year Ended 31 August 2021

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	**176,486**	*474,165*
Adjustments for:		
Depreciation charges	**268,755**	*214,914*
Interest paid	**113,624**	*110,399*
Interest received	**(564)**	*(3,167)*
Decrease/(increase) in debtors	**158,514**	*(22,004)*
Increase/(decrease) in creditors	**14,224**	*(28,881)*
Profit / (loss) on disposal of fixed assets	**523**	-
Net cash provided by operating activities	**731,562**	*745,426*

22. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	**739,599**	*843,727*
Total cash and cash equivalents	**739,599**	*843,727*

23. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	**843,728**	**(104,129)**	**739,599**
Debt due within 1 year	**(91,684)**	**(39,472)**	**(131,156)**
Debt due after 1 year	**(1,982,804)**	**(64,768)**	**(2,047,572)**
Finance leases	**(29,567)**	**23,428**	**(6,139)**
	(1,260,327)	**(184,941)**	**(1,445,268)**

24. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	**335,651**	-

25. Pension commitments

The Charity's employees belong to two principal pension schemes: the Teachers' Pension Scheme for England and Wales (TPS) for teaching and related staff which is a multi-employer defined benefit scheme, and; a Group Personal Pension Plan for other staff members, which is a defined contribution scheme.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016.

Contributions amounting to £55,048 are payable to the schemes as at 31 August 2021 (2020 - £40,914) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

Defined contribution scheme

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £40,109 (2020 - £35,136) Amounts totaling £7,673 (2020 - £5,649) were payable to the fund at the balance sheet date and are included in creditors.

26. Operating lease commitments

At 31 August 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	**21,654**	*13,064*
Later than 1 year and not later than 5 years	**32,147**	*41,369*
	53,801	*54,433*

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2021 £	2020 £
Operating lease rentals	**34,234**	*14,155*

27. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

28. Related party transactions

Various trustees paid fees totalling £37,155 (2020: £28,117) to the charity as the parents of pupils attending the school. At the year end there were outstanding fees of £Nil (2020: £Nil). All fees are on arm's length terms.

One Trustee received £nil (2020: 1 Trustee received £87) in payment for services, this was conducted at arms length.

During the year, expenditure amounting to £136,476 (2020: £nil) was paid to Gen2 Property Ltd, of which Hayley Jane Porter-Aslet is a director, relating to project management fees regarding the building works in year. The balance outstanding at year end is £nil (2020: £nil).

BABINGTON HOUSE SCHOOL LTD

England & Wales - Charity number 307914

Accounts

Registered number: 00610514
Charity number: 307914

BABINGTON HOUSE SCHOOL LIMITED

(A company limited by guarantee)

Directors' Report and Financial Statements

For the Year Ended 31 August 2020

BABINGTON HOUSE SCHOOL LIMITED
(A company limited by guarantee)

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BABINGTON HOUSE SCHOOL LIMITED

(A company limited by guarantee)

Reference and Administrative Details of the Charity, its Directors and Advisers
For the Year Ended 31 August 2020

Directors	Kate Clarke, Trustee Nicola Georgina Howard, Trustee William James Magill, Trustee Hayley Jane Porter-Aslet, Trustee Steven Thompson, Trustee Christopher Lloyd Turner, Trustee Justin Turner, Trustee Claire Adda Boyd, Trustee (resigned 24 September 2019)
Company registered number	00610514
Charity registered number	307914
Registered office	Grange Drive Chislehurst Kent BR7 5ES
Independent auditors	Williams Giles Professional Services Ltd Chartered Accountants Statutory Auditors Sittingbourne Kent ME10 5BH
Bankers	Barclays Bank PLC 7 High Street Chislehurst Kent

Directors' Report
For the Year Ended 31 August 2020

The Directors present their annual report together with the audited financial statements of the Babington House School Limited for the year 1 September 2019 to 31 August 2020. The Annual report serves the purposes of both a Directors' report and a directors' report under company law. The Directors confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bullutin 1 (effective January 2015).

Objectives and activities

a. Policies and objectives

The object of the Company is the provision of education and associated facilities.

In setting objectives and planning for activities, the Directors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

The School's aims are set out in its Mission Statement:

- Striving for academic rigour in all areas and encouraging pupils to become confident and able to think for themselves.
- Promoting high standards of behaviour, dress and conduct, benefiting from small class sizes and a strong sense of community.
- A commitment to outstanding music, drama, sport and the arts in their broadest sense and offering a wide array of clubs, societies and extra curricular opportunities.
- Creating a learning environment which caters for the needs of each individual and ensures pupils develop new skills, broaden their knowledge and achieve their potential.
- Within a broad Christian context, the promotion of ideals of honesty, integrity, trust and respect.
- Cultivating a relationship between home and school that promotes mutual cooperation and support.

c. Activities undertaken to achieve objectives

In practice the objectives are achieved via the provision of co-educational day schooling for pupils from 3 years old until 18.

d. Social investment policies

Although Babington House is primarily a fee paying school, a number of scholarship awards are available to talented and bursary awards to disadvantaged children from the local community. The number of scholarship and bursary places is currently 78 (2019: 68) and scholarships and bursary provision paid for from School funds during the year under report amounted to £547,066 (2019: £432,611).

We are also very proud that the school offers a small number of full scholarships to Sixth Form pupils who had previously attended large state schools in under deprived areas of SE London. These pupils join our community and make the most of the opportunities here, helping to create a vibrant and diverse community.
Working with a small group of local business people, The Headmaster helped to set up a scheme for some Babington Sixth Form pupils to receive funding through their university courses who would otherwise not be in a position to afford to go to the universities of their choice.

Objectives and activities (continued)

e. Facilities

The school has undertaken significant refurbishment and internal building development since 2016 which enables it to be well placed to provide a modern environment for the children and staff to enjoy, which complements and supports the School's teaching.

Strategic report

Achievements and performance

a. Main achievements of the Charity

The school is one of the highest achieving schools in the London Borough of Bromley. The Board will seek to ensure that educational standards are upheld in line with the Mission Statement so that this position is maintained.

b. Key performance indicators

Though the school does not, of course, measure its success solely in terms of the academic performance of its pupils, the Board is pleased to report that this year's A Level examinations results published in 2020 were remarkable with 85% A* - A grades and 100% A* - B. At GCSE the school achieved an impressive 74% grades 9- 7 (7 being the equivalent of the old A grade) and 100% 9-4 .

We were extremely pleased that these pupils surpassed their expectations and achieved well beyond their predicted grades (based on the Cognitive Ability Tests undertaken earlier in their educational journey), due to their hard work and the support they received at Babington. In fact all the students achieved the grades they needed to go on to the universities of their choice. Our Sixth Form received some fantastic Russell Group university offers many gaining straight A* grades in their examinations. One particular highlight was our Head Boy in Year 13 who managed to secure the very sought after and prestigious degree internship at the major engineering company Thalis. Thalis will fund the degree course, pay him £20,000 a year and provide him with a job at the end of the course. This came out of the work experience we arranged for him at Thalis and he follows in the footsteps of one of our school leavers from the year before last who gained the same internship.

Strategic report (continued)

Achievements and performance (continued)

c. Review of activities

Charities and community work

The school regularly sends Senior pupils to form part of the Bromley Youth Council, who make an important contribution to the democratic process in the Borough.
The school raises a considerable amount for various charities. These include; Bromley Food Bank, Pedal push for NSPCC, Ramble for BBC Children in Need, Children of the Mountain in Nepal and other fundraising events in the current news, such as the Australian Bush Fires Appeal. We were able to raise a considerable amount of money to install a playground for a school in one of the most deprived areas of Cape Town, South Africa and a group of Babington pupils were fortunate to visit this project last Summer where they met the South African Prime Minister who praised Babington House's fundraising efforts for the Uthando Charity and awareness building campaign.

The Early Years have achieved Mayor of London's Healthy Early Years London Award, this focuses on: learning, SEND provision, communication and language, health and well-being – all of the areas judged was heavily evidenced based.

Educational Trips and Outings

The school has enjoyed residential trips to Sayer's Croft, Bore Place and Weymouth. We have a regular ski trip to the Alps and had a very successful trip to South Africa, where the school raised money for the Uthando Charity in one of the townships near Cape Town. We also went on Safari in South Africa where all the students gained their qualification to be Junior Park Rangers which encourages environmental and conservation awareness in the natural world.
The school was awarded Gold Status for the second year running owing to our Junior Travel Ambassadors and road safety awareness in the school.

Drama, Sport and co-curricular

Successful drama productions for all key stages including two GCSE plays and most recently the School production of Alice in Wonderland.
Two carol services, one for Prep and one for Senior pupils – services were very well received by parents.
Significant success in sport highlights includes; Top of the Bromley Borough Netball League in Under 13, Under 14 and Under 16 level. The Sixth Form mixed Netball team has so far enjoyed an undefeated record. Babington has represented the SE Region for Swimming, Cross Country and Athletics reaching qualification for the Nationals.
We have very successful themed weeks in the Prep and Seniors, including World Book Week, British Science Week and forthcoming History Week.
We have a range of visitors to enrich the curriculum, including: internet safety, virtual reality, space adventure, Maya workshop, historical workshops, birds of prey, 'amazing animal encounters', dance workshops, pantomime and nutritionist talks. We also hold successful annual events such as Grandparents' Day and have hosted the Bromley Speech and Drama Festival.

The school continues to be noted for the added value it provides to the pupils by the performance tables produced by the Department for Education.

Strategic report (continued)

Achievements and performance (continued)

d. Factors relevant to achieve objectives

The school aims to enable its students to meet the challenges of the 21st Century and to create a learning environment which caters for the needs of each individual and promotes active learning and individual success.

The School was last inspected November 2016 in which the School was judged to be 'Excellent' in all areas of school life.

The School continues to encourage its pupils to develop a sense of social responsibility and an understanding of the plight of others less fortunate than themselves. Fund-raising schemes have enabled pupils to raise funds for nominated charities and good causes, and in so doing learn more about the activities of the charities and causes in question.

e. Fundraising activities and income generation

The School has had funds donated to it by the Babington House School Friends Association which is a voluntary group of parents who meet to organise social events to raise money for the School. Meetings are attended by members of the Senior Leadership Team. The charitable objectives of the BHSFA are as follows:

- To advance the education of pupils in the school in particular by developing effective relationships between the staff, parents and others associated with the school.
- Engaging in activities or providing facilities or equipment which support the school and advance the education of the pupils.

No complaints have been received in respect of fund-raising activities.

Financial review

a. Going concern

As noted below free reserves are in deficit at 31 August 2020, however the cash position is positive and future cash flow projections and budgets indicate that there is no material uncertainty in relation to going concern.

After making appropriate enquiries, the Directors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

Free reserves of the charity at 31 August 2020 were in deficit by £2,329,548, however this includes a mortgage debt attached to the property of £2,074,488 so free reserves excluding any secured balances amounted to a deficit of £255,060. This position is due to the receipt of fees in advance which are included in creditors as deferred income. There is no future cash flow associated with the receipt of advance fees, this along with the preparation of detailed budgets showing a positive cash flow enables the Trustees to conclude that there is no material uncertainty relating to going concern in this regard. Trustees aim to maintain at least one month's of operational costs as cash balances which at 31 August 2020 would amount to £390,707, the actual cash balance was £843,727 *(2019: £571,078)*.

Reserves are held by the School to cope with unexpected events such as falls in income or exceptional items of expenditure. This is important to ensure the School has sufficient reserves while it takes remedial action if necessary, thereby creating stability

c. Principal risks and uncertainties

In consultation with key management the Directors continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. It monitors the effectiveness of the system of internal control and other viable means, including insurance cover where appropriate, by whcih those risks already identified can be best mitigated. The Directors, Senior Leadership Team and all staff work hard to ensure the school maintains its high quality and holds firm to its core values. They also strive to make sure there is a whole school appreciation of the importance of pupil recruitment. There is also a culture of embracing change and diversification, where this is set to improve the school, such as;

1. Selectivity and academic drive in general and the introduction of an 11+ entrance test.

2. The school sets its own educational direction, tactics and strategic direction and is courageous in maintaining an outstanding provision which is professionally determined and rigorously maintained.

d. Principal funding

The principal funding source to enable the School to operate in its normal course of business remains the fees paid by parents. The School does not have any endowments.

e. Review of the year

During the year under review the School recorded a surplus of income over expenditure of £474,164 (2019: £246,065).

Structure, governance and management

a. Constitution

Babington House School Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

Structure, governance and management (continued)

b. Methods of appointment or election of Directors

New Directors are recruited by approaching individuals whose area of expertise is considered will help the school pursue its endeavours. The school also seeks the active involvement of parents. After meeting existing Directors under the guidance of the Chairman, applicants are either accepted or rejected. Suitable induction training is arranged.

c. Organisational structure and decision-making policies

The Directors, with the help of the Headmaster, are responsible for the overall direction of the school. The running of the school is the responsibility of the Headmaster, with the help of his Senior Leadership Team.

d. Policies adopted for the induction and training of Directors

Suitable induction training is arranged for each new Director appointed.

e. Pay policy for key management personnel

The Headmaster's pay and remuneration is set by the Chairman of the Governors, other Governors and advisors following appraisal. The rest of the Senior Leadership Team have their pay and remuneration set by the Headmaster following appraisals and with regard to other educational establishments.

f. Related party relationships

There are relationships with some of the Directors who have children in attendance at the school. School fees are charged to these Directors in line with all pupils on an arm's length basis.

g. Financial risk management

The Directors have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

The School looks to achieve a full Roll and it currently has a waiting list in Nursery up to 2021, as well as waiting lists in several other year groups including Reception and Years 4, 5 and 6. The school created two year 7 forms in September 2019 to cater for the high demand for places.

Directors' Report (continued)
For the Year Ended 31 August 2020

Statement of Directors' responsibilities

The Directors (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Directors' report including the Strategic report 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. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The directors have appointed Williams Giles Professional Services Ltd as auditor for Year ending 31st August 2021.

Approved by order of the members of the board of Directors on 4 March 2021 and signed on their behalf by:

C L Turner

Christopher Lloyd Turner
Director

Independent Auditors' Report to the Members of Babington House School Limited

Opinion

We have audited the financial statements of Babington House School Limited (the 'charity') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- 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 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.

Independent Auditors' Report to the Members of Babington House School Limited (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. 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.

Opinion 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 Directors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report including the Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 trustees

As explained more fully in the Directors' responsibilities statement, the Directors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report to the Members of Babington House School Limited (continued)

Auditors' 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 Auditors' 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. This description forms part of our Auditors' report.

Use of our report

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

Alastair Crawford FCA (Senior statutory auditor)
for and on behalf of
Williams Giles Professional Services Ltd
Chartered Accountants
Statutory Auditors

Sittingbourne
Kent
ME10 5BH

N.B. The date of signing should be entered in 'ACCOUNTS COMPLETION' section
Date:

BABINGTON HOUSE SCHOOL LIMITED

(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2020

	Note	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Income from:				
Donations and legacies	3	**194,683**	**194,683**	-
Charitable activities	4	**4,961,092**	**4,961,092**	*4,756,041*
Other trading activities	5	**3,705**	**3,705**	*57,544*
Investments	6	**3,167**	**3,167**	*5,402*
Total income		**5,162,647**	**5,162,647**	*4,818,987*
Expenditure on:				
Charitable activities	8	**4,688,479**	**4,688,479**	*4,572,922*
Total expenditure		**4,688,479**	**4,688,479**	*4,572,922*
Net movement in funds		**474,168**	**474,168**	*246,065*
Reconciliation of funds:				
Total funds brought forward		**4,588,303**	**4,588,303**	*4,342,238*
Net movement in funds		**474,168**	**474,168**	*246,065*
Total funds carried forward		**5,062,471**	**5,062,471**	*4,588,303*

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 32 form part of these financial statements.

BABINGTON HOUSE SCHOOL LIMITED
(A company limited by guarantee)
Registered number: 00610514

Balance Sheet
As at 31 August 2020

	Note		2020 £		*2019 £*
Fixed assets					
Tangible assets	13		**7,112,456**		*7,075,276*
			7,112,456		*7,075,276*
Current assets					
Debtors	14	**319,828**		*166,624*	
Cash at bank and in hand		**843,728**		*571,078*	
		1,163,556		*737,702*	
Creditors: amounts falling due within one year	15	**(1,226,716)**		*(1,054,797)*	
Net current liabilities			**(63,160)**		*(317,095)*
Total assets less current liabilities			**7,049,296**		*6,758,181*
Creditors: amounts falling due after more than one year	16		**(1,986,828)**		*(2,169,878)*
Net assets excluding pension asset			**5,062,468**		*4,588,303*
Total net assets			**5,062,468**		*4,588,303*
Charity funds					
Restricted funds	18		-		-
Unrestricted funds					
Designated funds	18	**2,732,920**		*2,732,920*	
General funds	18	**2,329,548**		*1,855,383*	
Total unrestricted funds	18		**5,062,468**		*4,588,303*
Total funds			**5,062,468**		*4,588,303*

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Directors on 04 March 2021 and signed on their behalf by:

C. L Turner

Christopher Lloyd Turner
Director

The notes on pages 15 to 32 form part of these financial statements.

BABINGTON HOUSE SCHOOL LIMITED
(A company limited by guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	**745,429**	*801,041*
Cash flows from investing activities		
Dividends, interests and rents from investments	**3,167**	*5,402*
Purchase of tangible fixed assets	**(252,094)**	*(231,792)*
Net cash used in investing activities	**(248,927)**	**(226,390)**
Cash flows from financing activities		
Interest paid	**(110,399)**	*(113,678)*
Repayments of borrowing	**(91,684)**	*(86,064)*
New finance leases	**-**	*66,662*
Repayments of finance leases	**(21,770)**	*(15,325)*
Net cash used in financing activities	**(223,853)**	**(148,405)**
Change in cash and cash equivalents in the year	**272,649**	**426,246**
Cash and cash equivalents at the beginning of the year	**571,078**	*144,832*
Cash and cash equivalents at the end of the year	**843,727**	*571,078*

The notes on pages 15 to 32 form part of these financial statements

Notes to the Financial Statements
For the Year Ended 31 August 2020

1. General information

Babington House School Limited is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Babington House School, Grange Drive, Chislehurst, Kent, BR7 5ES. The principal activity of the charitable company is to provide education and associated facilities.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Babington House School Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees assess whether the use of Going Concern is appropriate ie whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the Charity to continue as a Going Concern.

The Trustees note that at the 31 August 2020 there are net current liabilities of £61,160. This position is due to the receipt of fees in advance which are included in creditors as deferred income. There is no future cash flow associated with the receipt in advance, this along with the preparation of detailed budgets showing a positive cash flow enables the Trustees to conclude that there is no material uncertainty relating to going concern in this regard.

The Trustees make this assessment for the period of at least one year from the date of approval of these financial statements and have concluded that the Charity has adequate resouces to continue in operational existence for the forseeable future and that there are no material uncertainties about the Charity's ability to continue as a going concern, thus they have adopted the going concern accounting basis in preparing these financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. Accounting policies (continued)

2.4 Expenditure

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

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- 50 years straight line
Motor vehicles	- 25% reducing balance
Equipment	- 25-33% straight line

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. Accounting policies (continued)

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

The Charity is also a member of a multi-employer plan. Where it is not possible for the Charity to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Donations	9,500	**9,500**	-
Grants	185,183	**185,183**	-
	194,683	**194,683**	-

4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £
Provision of Education	4,961,092	**4,961,092**

	Unrestricted funds 2019 £	*Total funds 2019 £*
Income from charitable activities - Provision of Education	*4,756,041*	*4,756,041*

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2020 £	Total funds 2020 £
Exam fees	932	**932**
Other income	2,773	**2,773**
	3,705	**3,705**

5. Income from other trading activities (continued)

Income from fundraising events (continued)

	Unrestricted funds 2019 £	*Total funds 2019 £*
Exam fees	*8,316*	*8,316*
Other income	*49,228*	*49,228*
	57,544	*57,544*

6. Investment income

	Unrestricted funds 2020 £	**Total funds 2020 £**
Interest receivable	3,167	**3,167**

	Unrestricted funds 2019 £	*Total funds 2019 £*
Investment income - local cash	*5,402*	*5,402*

7. School fees receivable

	2020 £	*2019 £*
Fees	**5,133,208**	*4,998,193*
Less:		
Scholarships, bursaries and fee discounts	**(697,779)**	*(659,406)*
	4,435,429	*4,338,787*

Notes to the Financial Statements
For the Year Ended 31 August 2020

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Total funds 2020 £
Provision of Education	4,688,479	**4,688,479**

	Unrestricted funds 2019 £	*Total funds 2019 £*
Provision of Education	*4,572,922*	*4,572,922*

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Provision of Education	3,268,566	1,419,914	**4,688,480**

	Activities undertaken directly 2019 £	*Support costs 2019 £*	*Total funds 2019 £*
Provision of Education	*3,005,429*	*1,567,493*	*4,572,922*

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Provision of Education 2020 £	Total funds 2020 £
Staff costs	3,223,076	**3,223,076**
Non-payroll staff costs	45,490	**45,490**
	3,268,566	**3,268,566**

	Provision of Education 2019 £	*Total funds 2019 £*
Staff costs	*2,968,004*	*2,968,004*
Non-payroll staff costs	*37,425*	*37,425*
	3,005,429	*3,005,429*

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Provision of Education 2020 £	Total funds 2020 £
Depreciation	214,914	**214,914**
Examination fees	13,182	**13,182**
Education requisites	80,373	**80,373**
Legal & Professional	25,206	**25,206**
Advertising	44,075	**44,075**
Catering	249,420	**249,420**
Utility charges	33,181	**33,181**
Motor and travel	43,004	**43,004**
Printing, postage and stationery	26,327	**26,327**
Debt collection costs	13,242	**13,242**
Staff training and recruitment	64,034	**64,034**
Telephone	13,475	**13,475**
School Trips	39,846	**39,846**
Computer and IT	71,810	**71,810**
Bad debt cost	40,000	**40,000**
School activities	52,440	**52,440**
Premises	204,156	**204,156**
Insurance	38,319	**38,319**
Interest	110,397	**110,397**
Other	25,236	**25,236**
Governance costs	17,277	**17,277**
	1,419,914	**1,419,914**

9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Provision of Education 2019 £	*Total funds 2019 £*
Depreciation	*209,368*	*209,368*
Examination fees	*16,597*	*16,597*
Education requisites	*68,491*	*68,491*
Legal & Professional	*20,240*	*20,240*
Advertising	*61,363*	*61,363*
Catering	*314,255*	*314,255*
Utility charges	*50,950*	*50,950*
Motor and travel	*38,883*	*38,883*
Printing, postage and stationery	*25,377*	*25,377*
Debt collection costs	*38,082*	*38,082*
Staff training and recruitment	*42,979*	*42,979*
Telephone	*12,138*	*12,138*
School Trips	*117,607*	*117,607*
Computer and IT	*80,478*	*80,478*
Bad debt cost	*8,207*	*8,207*
School activities	*76,156*	*76,156*
Premises	*184,639*	*184,639*
Insurance	*42,962*	*42,962*
Interest	*113,678*	*113,678*
Other	*34,243*	*34,243*
Governance costs	*10,800*	*10,800*
	1,567,493	*1,567,493*

10. Auditors' remuneration

	2020 £	*2019 £*
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**14,904**	*10,800*

11. Staff costs

	2020 £	2019 £
Wages and salaries	**2,579,413**	*2,455,913*
Social security costs	**242,014**	*228,263*
Contribution to defined contribution pension schemes	**401,649**	*283,828*
	3,223,076	*2,968,004*

The average number of persons employed by the Charity during the year was as follows:

	2020 No.	2019 No.
Teaching staff	**53**	*49*
Classroom support	**38**	*32*
Administration	**17**	*18*
	108	*99*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	2019 No.
In the band £60,001 - £70,000	**1**	-
In the band £110,001 - £120,000	**1**	*1*

Key management personnel comprise the Senior Leadership Team. The total benefits received by key management personnel, including pension contributions, in the year was £408,844 (2019: £375,678).

12. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits *(2019 - £NIL)*.

During the year ended 31 August 2020, no Director expenses have been incurred *(2019 - £NIL)*.

13. Tangible fixed assets

	Freehold property £	Motor vehicles £	Equipment £	Total £
Cost or valuation				
At 1 September 2019	**7,007,639**	**22,021**	**1,025,038**	**8,054,698**
Additions	**137,191**	**-**	**114,903**	**252,094**
At 31 August 2020	**7,144,830**	**22,021**	**1,139,941**	**8,306,792**
Depreciation				
At 1 September 2019	**182,862**	**21,324**	**775,236**	**979,422**
Charge for the year	**93,877**	**174**	**120,863**	**214,914**
At 31 August 2020	**276,739**	**21,498**	**896,099**	**1,194,336**
Net book value				
At 31 August 2020	**6,868,091**	**523**	**243,842**	**7,112,456**
At 31 August 2019	*6,824,777*	*697*	*249,802*	*7,075,276*

The charity's freehold property was valued on 23 April 2018 at £6,500,000, on the basis of market value as a fully equipped trading entity by James Orr BSc MRICS of Gerald Eve LLP. The trustees have reassessed the valuation and consider it materially correct as at 31 August 2019.

The carrying amount under the cost model of the assets which have been revalued would have been £4,972,884 *(2019 - £5,090,711)*.

Included within the net book value of Equipment is £48,145 (2018: £3,816) relating to assets held under hire purchase agreements. The depreciation charged in respect of these assets during the year was £18,517 (2018: £42,792).

14. Debtors

	2020 £	*2019 £*
Due within one year		
Trade debtors	**174,497**	*60,879*
Other debtors	**76,231**	-
Prepayments and accrued income	**69,100**	*105,745*
	319,828	*166,624*

15. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	**91,684**	*91,684*
Trade creditors	**75,479**	*63,031*
Other taxation and social security	**65,702**	*61,129*
Obligations under finance lease and hire purchase contracts	**25,543**	*21,651*
Other creditors	**728,507**	*402,086*
Accruals and deferred income	**239,801**	*415,216*
	1,226,716	*1,054,797*

16. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	**1,982,804**	*2,074,488*
Net obligations under finance lease and hire purchase contracts	**4,024**	*29,686*
Accruals and deferred income	**-**	*65,704*
	1,986,828	*2,169,878*

Included within the above are amounts falling due as follows:

	2020 £	2019 £
Between one and two years		
Bank loans	**91,684**	*91,684*
Between two and five years		
Bank loans	**366,737**	*366,737*
Over five years		
Bank loans	**1,524,383**	*1,616,067*

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2020 £	*2019* *£*
Payable or repayable by instalments	-	*1,616,067*
	-	*1,616,067*

The loan balance comprises two loans from Barclays PLC taken out in July 2011. The loans are secured by a legal charge over the freehold land and buildings and by a debenture over the assets of the Charitable Company. One of the loans is repaid quarterly with interest charged at a fixed rate of 2.903% and the other is repaid on a monthly basis with interest charged at LIBOR +2.150%. The loans are covered by the same facility agreement and the terms are 25 years from the first drawdown.

17. Financial instruments

	2020 £	*2019* *£*
Financial assets		
Financial assets measured at fair value through income and expenditure	**843,728**	*571,078*

Financial assets measured at fair value through income and expenditure comprise....

18. Statement of funds

Statement of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
Unrestricted funds				
Designated funds				
Designated Funds - all funds	2,732,920	-	-	2,732,920
General funds				
General Funds - all funds	1,855,383	5,162,647	(4,688,482)	2,329,548
Total Unrestricted funds	4,588,303	5,162,647	(4,688,482)	5,062,468

Designated funds represent amounts set aside for the upkeep and improvement of the school building.

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2018 £	*Income* £	*Expenditure* £	*Balance at 31 August 2019* £
Unrestricted funds				
Designated funds				
Building fund	*2,732,920*	-	-	*2,732,920*
General funds				
General fund	*1,609,318*	*4,818,987*	*(4,572,922)*	*1,855,383*
Total Unrestricted funds	4,342,238	4,818,987	(4,572,922)	*4,588,303*

19. Summary of funds

Summary of funds - current year

	Balance at 1 September 2019 £	**Income** £	**Expenditure** £	**Balance at 31 August 2020** £
Designated funds	**2,732,920**	**-**	**-**	**2,732,920**
General funds	**1,855,383**	**5,162,647**	**(4,688,482)**	**2,329,548**
	4,588,303	**5,162,647**	**(4,688,482)**	**5,062,468**

Summary of funds - prior year

	Balance at 1 September 2018 £	*Income* £	*Expenditure* £	*Balance at 31 August 2019* £
Designated funds	*2,732,920*	-	-	*2,732,920*
General funds	*1,609,318*	*4,818,987*	*(4,572,922)*	*1,855,383*
	4,342,238	*4,818,987*	*(4,572,922)*	*4,588,303*

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	7,112,456	**7,112,456**
Current assets	1,032,355	**1,032,355**
Creditors due within one year	(1,095,515)	**(1,095,515)**
Creditors due in more than one year	(1,986,828)	**(1,986,828)**
Total	5,062,468	**5,062,468**

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	*Total funds 2019 £*
Tangible fixed assets	7,075,276	*7,075,276*
Current assets	737,702	*737,702*
Creditors due within one year	(1,054,797)	*(1,054,797)*
Creditors due in more than one year	(2,169,878)	*(2,169,878)*
Total	4,588,303	*4,588,303*

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	*2019 £*
Net income for the period (as per Statement of Financial Activities)	**474,168**	*246,065*
Adjustments for:		
Depreciation charges	**214,914**	*209,368*
Interest paid	**110,399**	*113,678*
Interest received	**(3,167)**	*(5,402)*
Increase in debtors	**(22,004)**	*(26,450)*
Increase/(decrease) in creditors	**(28,881)**	*(263,782)*
Net cash provided by operating activities	**745,429**	*273,477*

22. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	**843,727**	*571,078*
Total cash and cash equivalents	**843,727**	*571,078*

23. Analysis of changes in net debt

	At 1 September 2019 £	At 31 August 2020 £
Cash at bank and in hand	**571,078**	**571,078**
Debt due within 1 year	**(91,684)**	**(91,684)**
Debt due after 1 year	**(2,074,488)**	**(2,074,488)**
Finance leases	**(51,337)**	**(51,337)**
	(1,646,431)	**(1,646,431)**

24. Pension commitments

The Charity's employees belong to two principal pension schemes: the Teachers' Pension Scheme for England and Wales (TPS) for teaching and related staff which is a multi-employer defined benefit scheme, and; a Group Personal Pension Plan for other staff members, which is a defined contribution scheme.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016.

Contributions amounting to £40,914 are payable to the schemes as at 31 August 2020 (2019 - £37,058) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

24. Pension commitments (continued)

accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

Defined contribution scheme

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £35,136 (2019 - £27,338) Amounts totaling £5,649 (2019 - £5,439) were payable to the fund at the balance sheet date and are included in creditors.

25. Operating lease commitments

At 31 August 2020 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	*2019* *£*
Not later than 1 year	**13,064**	*14,155*
Later than 1 year and not later than 5 years	**41,369**	*15,639*
	54,433	*29,794*

26. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

27. Related party transactions

Various trustees paid fees totalling £28,117 (2019: £64,248) to the charity as the parents of pupils attending the school. At the year end there were outstanding fees of £Nil (2019: £Nil). All fees are on arm's length terms.

One Trustee received £87.20 in pament for services, this was conducted at arms length