

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.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

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.

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

FOR THE YEAR ENDED 31 AUGUST 2024

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.

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

FOR THE YEAR ENDED 31 AUGUST 2024

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).

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

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.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

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.

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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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BABINGTON HOUSE SCHOOL LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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

		Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
	Notes						
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

		2024		2023	
	Notes	£	£	£	£
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	
		<u>2,411,298</u>		<u>1,405,416</u>	
Creditors: amounts falling due within one year	15	<u>(1,748,081)</u>		<u>(1,309,776)</u>	
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		<u>(2,351,891)</u>		<u>(2,246,327)</u>
Net assets			<u>7,263,106</u>		<u>6,503,896</u>
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	
		<u>7,263,106</u>		<u>6,503,896</u>	

The financial statements were approved by the trustees on

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Mr C Turner
Trustee

Company registration number 00610514 (England and Wales)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	£	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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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 fund 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
	<u>7,961,585</u>	<u>7,066,569</u>

3 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising events	<u>7,102</u>	<u>35,233</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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	2023
	Number	Number
Teaching staff	-	54
Classroom support	-	52
Adminstration	-	18
	<hr/>	<hr/>
Total	-	124
	<hr/> <hr/>	<hr/> <hr/>

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
	<hr/>	<hr/>
	4,864,675	4,168,030
	<hr/> <hr/>	<hr/> <hr/>

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

	2024	2023
	Number	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
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

14 Loans and overdrafts

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

The loan balance comprises 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
		<u> </u>	<u> </u>
		1,748,081	1,309,776
		<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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	-
		<u>2,351,891</u>	<u>2,246,327</u>

17 Deferred income

	2024 £	2023 £
Other deferred income	1,224,671	359,129
	<u>1,224,671</u>	<u>359,129</u>

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	-
	<u>1,224,671</u>	<u>359,129</u>
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
	<u>1,224,671</u>	<u>359,129</u>
Deferred income at 31 August 2024	<u>1,224,671</u>	<u>359,129</u>

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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)
	<u>4,608,925</u>	<u>2,654,181</u>	<u>7,263,106</u>	<u>3,849,715</u>	<u>2,654,181</u>	<u>6,503,896</u>

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
	<u>785,529</u>	<u>765,713</u>

22 Related party transactions

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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	2,221,282
Loans falling due within one year	(122,660)	(127,133)
Loans falling due after more than one year	(2,246,327)	(2,005,047)
	(1,192,119)	89,102