

Company Registration No. 01067862 (England and Wales)
Charity Registration No. 309911

THE BEACON EDUCATIONAL TRUST LTD
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

THE BEACON EDUCATIONAL TRUST LTD
COMPANY INFORMATION
GOVERNORS, OFFICERS AND ADVISORS

The Governors who served during the year ended 31 August 2021 were as follows:-

Directors

D C L Miller – Chair (All)
FEM Mayhew – Vice Chairman (3) & (6)
M Thompson – Vice Chairman (4) & (6)
S J Allcock (2) – resigned 31 Aug 2021
G L Bailey (3), (5) & (6)
M Entrican - appointed 4 January 2021 (2)
V Fawkes – appointed 21 April 2021 (2)
R J Garrett-Bowes (1) – resigned 31 Aug 2021
S Gillam (2)
J D R Hardman (1) - resigned 12 Nov 2020
R Herbert (1)
S Horrocks (2) and (4)
P J Kirkbride (1) & (3) – resigned 31 Aug 2021
P McGlone (1) & (6)
D A McGregor (4) – resigned 31 Aug 2021
A Nott – appointed 18 June 2021 (2)
N K Pandya (1) – resigned 31 March 2021
J R Pardon (1) & (2)
J E Rampin (3) & (6)
B Shah – appointed 7 June 2021 (1)
A Wansbrough – appointed 1 March 2021 (4)

- (1) Member of the Finance and General Purposes Committee
- (2) Member of the Education Committee
- (3) Member of the Admissions and Marketing Committee
- (4) Member of the Human Resources Committee
- (5) Member of the Health and Safety Committee
- (6) Member of the CV19 Committee

Secretary

F Muzika

Company number

01067862

Registered Charity number

309911

Registered office

Amersham Road, Chesham Bois
Amersham
Buckinghamshire
HP6 5PF

Auditors

Crowe U.K. LLP
Aquis House
49-51 Blagrove Street
Reading
Berkshire
RG1 1PL

THE BEACON EDUCATIONAL TRUST LTD
COMPANY INFORMATION
GOVERNORS, OFFICERS AND ADVISORS (CONTINUED)

Business address	Amersham Road, Chesham Bois Amersham Buckinghamshire HP6 5PF	
Bankers	National Westminster Bank plc Oakfield Corner, Hill Avenue Amersham Buckinghamshire HP6 5BU	
Officers	The Headmaster: Director of Finance & Operations Clerk to the Governors:	W T Phelps MA (New York) BA AKC (Kings College London) F Muzika ACA H J Farrelly

THE BEACON EDUCATIONAL TRUST LTD
CONTENTS

	Page
Annual Report of the Governors (Directors)	1 - 6
Statement of Governors' Responsibilities	7
Auditors' Report	8 – 11
Statement of Financial Activities	12
Balance Sheet	13
Cash Flow Statement	14
Notes to the Financial Statements	15 - 28

THE BEACON EDUCATIONAL TRUST LTD

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 AUGUST 2021

The members of The Beacon Educational Trust Limited Governing Body present their annual report for the year ended 31 August 2021 under the Charities Act 2011 and the Companies Act 2006, thus including the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year. The members are Directors, Trustees and Governors and these terms are all used within this report.

DIRECTORS' REPORT

Constitution and Objects

The Beacon Educational Trust Limited is a charitable company limited by guarantee. Its Charity registration number is 309911 and the company registration number is 01067862. The registered office and principal address of the company is Amersham Road, Chesham Bois, Amersham, Buckinghamshire, HP6 5PF.

The company is governed by its Memorandum and Articles of Association, which state that its object is to advance the education of the public. In furtherance thereof, the company operates The Beacon School, a preparatory school.

Aims, Objectives and Activities

Aims

The Beacon aims to inspire boys to achieve their best within a happy, safe and stimulating environment, providing education of the highest quality delivered by caring and dedicated teachers. To achieve this, the School continues with the support of parents to:

- Promote high standards of academic achievement through consistent expectation and encouragement.
- Nurture talent and provide opportunity for all in the areas of art, drama, music, sport and technology.
- Enable pupils to develop the social and emotional skills needed to believe in themselves, to show consideration for others and to value diversity.
- Foster lifelong thinking, learning and communication skills to enable pupils to work independently and as part of a team.

Primary Objectives

Key elements of the School's strategy are to:

1. Maintain a broad curriculum that is directed towards independent and lifelong learning.
2. Uphold the traditional values associated with preparatory education, through its pastoral system, whilst ensuring that pupils are taught the skills and knowledge they will need to meet the challenges of the changing world.
3. Embed information technology into the curriculum as the principal means of enhancing teaching and learning.
4. Provide new and improved existing buildings and other facilities to support the educational, cultural and pastoral aims of the School.

Governance and Management

Governing Body

The directors serve as trustees of the Charity and under the terms of the above Articles are also members of the company. Each director is elected by the Board of directors on the basis of nominations received from serving directors, the headmaster and others. Directors are selected on the basis of their skills and suitability. The chairman of the Board is responsible for the induction of new directors, which includes making them aware of their responsibilities, the governing documents, administrative procedures, the history and philosophical approach of the company and previous annual reports and accounts. Every director is vetted for safeguarding purposes prior to appointment.

THE BEACON EDUCATIONAL TRUST LTD
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

The CV19 Committee set up at the outset of the global Coronavirus pandemic in March 2020 continued to meet frequently via video calls to ensure diligent governance and support to management, a discipline maintained until the end of Spring Term 2021 after lockdown restrictions were lifted and related oversight reverted to the usual forms of governance in place.

The first term of office for a director shall be: (a) for an ex officio director - while he or she holds office; and (b) for other Directors - three years; provided that the Directors may determine that the Director shall in fact retire at the end of a meeting of the Board of Directors held within twelve months of the end of the Director's term of office. A Director who has served two consecutive terms of three years may be reappointed for a further term not exceeding two years if the Board considers that the Director's reappointment would be in the best interests of the Charity. At the end of that term, the Director may be reappointed by the Board for a further term not exceeding 2 years, subject to the same considerations, and may be appointed for further terms (each term not exceeding 2 years) thereafter on the same basis. A retired Director may be reappointed to hold office, provided that a year has elapsed since he or she last held office as a Director and provided that the Board considers that it would be in the best interests of the Charity for him or her to be eligible for reappointment.

The directors usually meet as a Board three or more times per year to determine policy and to monitor the operations of the company. Their role is assisted by the work of the Board Committees which usually meet a few weeks before each regular meeting of the Board. The day-to-day running of the School is delegated to the headmaster who, with the Director of Finance and Operations ("DFO"), is assisted by other members of the School leadership team.

Employment Policy

The School supports the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards. The School co-operates with local organisations to widen public access to its facilities.

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees continues on an ongoing basis with the aim of taking employees into account when decisions are made that are likely to affect their interests.

Remuneration Policy for Key Management

Remuneration of the headmaster and the DFO is set by the Remuneration Committee after appropriate consultation and benchmarking in order to ensure recruitment and retention of quality staff.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the School's auditors are unaware; and
- that director has taken all steps that ought to have been taken as a director in order to be aware of any relevant audit information needed by the School's auditors in connection with preparing their report and to establish that the School's auditors are aware of that information.

AUDITORS

A resolution proposing the re-appointment of Crowe as auditors to the company will be put to the Annual General Meeting.

THE BEACON EDUCATIONAL TRUST LTD
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT

Mission Statement

The School's mission is to inspire boys to achieve their best within a happy, secure and stimulating environment, providing education of the highest quality, delivered by an enthusiastic and committed team of teachers and staff.

Strategies to Achieve the Primary Objectives

To achieve this aim the School will, with the support of parents:

- Promote high standards of academic achievement through consistent expectation and encouragement.
- Nurture talent, and provide opportunities for all, in the areas of art, drama, music, sport and technology.
- Enable pupils to develop the social and emotional skills needed to believe in themselves, show consideration for others and value diversity.
- Foster lifelong thinking, learning and communication skills to enable pupils to work independently and as part of a team.

Ten Year Plan

The Governors are four years into their ten-year strategic plan entitled "The Beacon Vision" which comprises five key components: delivery of exceptional teaching and learning; development of Modern Fluencies; promotion of well-being for pupils, staff and parents; development of the School site; and the creation of a 'Beacon Network'. Success will be measured by the School's ability to encourage initiative, innovation, entrepreneurship and philanthropy in all. In setting these components and planning, the Governors have complied with their duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. Despite the unprecedented impact of the global Covid pandemic the Board are comfortable with this plan and that the School continues to maintain progress.

Achievements and Performance

The pandemic continues to present the most challenging circumstances the school has had to operate through, however The Beacon is weathering the storm successfully. When the government announced at the last minute that schools would not re-open in January 2021, the entire school flipped from in-school to online learning in around 24 hours. A large IT project to install webcams in all classrooms has allowed the school to exploit every possible hybrid operating model, with a combination of teachers and boys teaching and learning from home and in the classroom. This has provided high-quality continuity of education.

Our 13+ results for the year 2020-21 were amongst the strongest ever with a large number of scholarships won in Music, DT, Drama, Sport as well as All-rounder and Academic awards to a range of independent schools. Similarly, the school's results for 2021 in the Buckinghamshire Transfer Test (11+) are amongst our best ever.

We had an ISI Material Change Visit remotely in April 2021, triggered by our application to the DfE to open a Nursery. This was successful and our "Little Beacons" Nursery opened in September 2021.

Whilst several aspects of school life are inevitably curtailed at present, as soon as practicable we will continue to press ahead with academic and other innovations to keep The Beacon at the forefront of prep school education.

THE BEACON EDUCATIONAL TRUST LTD

ANNUAL REPORT OF THE GOVERNORS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Public Benefit

Bursaries and Scholarships

The Governors continue to be committed to broadening access to the School by offering means-tested bursaries of up to 100% to enable more boys whose parents would not otherwise be able to afford the fees to benefit from the School's education and facilities.

In 2020/21, six boys in the School benefited from 100% fee bursaries and two from 80% bursary, to a total value of £113,544 (2020: £138,931). These bursaries also covered all educational extras, such as uniform, equipment, School trips and other extra-curricular activities.

Beacon Bursary Fund

The Beacon Bursary Fund is a Charity set up and run independently of the School, by four trustees. Its purpose is to assist with funding for the education of pupils of The Beacon School, whose parents encounter financial difficulties, and who might otherwise have to withdraw their son(s) from the School at a time detrimental to their educational progress. The fund derives its income from parental donations, gift aid and investment income. In 2020/21 financial assistance to the value of £47,447 (2020: £88,269) was given by the fund reflecting the impact of the pandemic.

Community Links

The School co-operates with local charities and community based organisations in order to widen public access and to share its cultural and sporting facilities. Efforts continue to develop and expand in this respect.

In particular, the School's facilities are offered for modest rents to locally based clubs, and the School hosts sporting and academic competitions in which local Schools participate.

Free use of the school's swimming pool has continued to be provided for Horizon Sports Club, a local disabled children's sports charity.

There is a continued focus on giving support via free use of the school's facilities to The Theatre Shed whose vision is to build a sustainable theatre that brings together many more children and adults from a range of backgrounds to create wonderfully innovative, inspiring, inclusive theatre.

The School is always keen to maintain a good working relationship with the neighbouring residents in order to minimise any negative impact of the school's activities on the local community. In addition, the school has hosted tea parties for local veterans.

Charitable Fund Raising

The School's on-going commitment to charitable fundraising has continued as demonstrated by events to support a number of national charities including Save the Children, Chiltern, Toybank, Chiltern Foodbank, One Can Trust, Macmillan Cancer Support, Royal Brompton and Harefield Hospitals, Young Minds, Roald Dahl, Marvellous Children's Charity and Tree Aid. We also raise money towards the Beacon Bursary Fund.

Volunteers

The School benefits from the fund-raising activities of parents through The Beacon Parents' Society, whose hard work and support is greatly appreciated by the Governors.

THE BEACON EDUCATIONAL TRUST LTD
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Financial Review

Results for the Year

Total income amounted to £8,028,334 (2020: £8,181,778). Net incoming resources for the year were £523,468 compared with £783,634 in 2019/20.

During the year a total of £1,443,361 (2020: £451,151) was spent on capital projects to enhance the appearance, security and functionality of the School.

Reserves Level and Policy

The Governors' policy is to build the company's free reserves over the coming five years to £2m, to cover the immediate needs for essential operating expenditure for one term. The Governors plans to achieve this will however inevitably be affected by periodic opportunities to equip the School with the up-to-date facilities needed to maintain the standard of educational services provided for the benefit of future pupils.

The School's unrestricted funds stood at £16,194,420 (2020: £15,680,042) at the end of the period. After adjusting for unrestricted functional fixed assets for the Charity's own use and the loans connected there to, free reserves stood at £827,317 (2020: £1,285,574).

FUTURE PLANS

The company's future plans include:

- Continuing to provide education of the highest quality.
- Implementation of "The Beacon Vision".
- Maintaining sound financial management.

Risk Management

The Board keeps the School's activities under review and monitors the risks that arise from time to time, together with the systems and procedures established to manage them. The Board monitors the effectiveness of the system of internal controls and other means, including insurance cover, by which those identified risks can be mitigated. The key controls used include:

- Formal agendas for all Board and committee meetings.
- Detailed terms of reference for all committees.
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational structure and lines of reporting.
- Formal written policies.
- Clear authorisation and approval levels.
- Vetting procedures for the protection of the children.

The major risks are maintenance of academic standards (mitigated via recruitment procedures as well as appraisal process), child protection (mitigated via strict adherence to safeguarding rules) and quality of the School facilities (mitigated by the latest School vision).

Through these procedures, the Board is satisfied that major risks should be identified and mitigated against so far as practicable whilst recognising that systems provide only reasonable but not absolute assurance that all risks are identified.

The School purchases indemnity insurance for the Governors.

THE BEACON EDUCATIONAL TRUST LTD
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

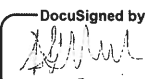
Risks and Threats to the Independent Schools' Sector

Through the School's links to and membership of the Independent Association of Prep Schools (IAPS) and the Independent Schools' Bursars Association (ISBA) the School keeps itself abreast of issues facing the sector as a whole. The School has continued to absorb the increase in teachers' pension contributions from September 2019 and has no plans at this time to withdraw from the Teachers' Pensions Scheme.

The School monitors all threats, such as the global Covid pandemic, the general economic climate and BREXIT and will take appropriate action to adjust budgets and plans should it become necessary.

The Governors are confident in the School's ability to manage these risks.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governors of the Beacon Educational Trust Limited on 24th March 2022 including in their capacity as company directors approving the Strategic Report contained therein and is signed as authorised on its behalf by:

DocuSigned by:

D37070DF438342B...

DCL Miller - Chairman
Director

24 March 2022

THE BEACON EDUCATIONAL TRUST LTD

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors of The Beacon Educational Trust Ltd for the purposes of company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the Charity's constitution. 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.



Crowe U.K LLP
Chartered Accountants
Aquis House
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Reading
Berkshire RG1 1PL
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THE BEACON EDUCATIONAL TRUST LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BEACON EDUCATIONAL TRUST LTD

Opinion

We have audited the financial statements of The Beacon Educational Trust Limited for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the 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 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 Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Governors 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.



THE BEACON EDUCATIONAL TRUST LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BEACON EDUCATIONAL TRUST LTD (CONTINUED)

Other Information

The Governors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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.

Opinions on Other Matters Prescribed by the Companies Act 2006

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

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

Matters On Which We Are Required to Report By Exception

In 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 Governors' report included within the Governors' report.

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

- Adequate accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Governors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit



THE BEACON EDUCATIONAL TRUST LTD INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BEACON EDUCATIONAL TRUST LTD (CONTINUED)

Responsibilities of Governors

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 Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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 auditor's report.

Extent to Which the Audit was Considered Capable of Detecting Irregularities, Including Fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, Health and Safety and General Data Protection Regulations. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors and other management and inspection of regulatory and legal correspondence, if any.



THE BEACON EDUCATIONAL TRUST LTD
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BEACON
EDUCATIONAL TRUST LTD (CONTINUED)

The greatest risk of material impact on the financial statements is from irregularities, including fraud, to be within the timing of recognition of non-fee income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, sample testing on non-fee income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed noncompliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of Our Report

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

A handwritten signature in dark ink, appearing to read "Alastair Lyon".

Alastair Lyon

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Aquis House

49-51 Blagrove Street

Reading

RG1 1PL

Date: 30 March 2022

THE BEACON EDUCATIONAL TRUST LTD
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME AND ENDOWMENTS					
FROM:					
Charitable activities:					
School fees receivable	4a	7,783,449	-	7,783,449	7,788,204
Ancillary trading income	4b	177,107	-	177,107	116,175
CJRS grant income		-	-	-	193,152
Other trading activities:					
Interest received		2,116	-	2,116	14,392
Rent and facility hire		56,572	-	56,572	59,430
Donations		<u>-</u>	<u>9,090</u>	<u>9,090</u>	<u>10,425</u>
Total		<u>8,019,244</u>	<u>9,090</u>	<u>8,028,334</u>	<u>8,181,778</u>
EXPENDITURE ON:					
Charitable activities:					
School operating costs		7,463,078	-	7,463,078	7,339,998
Expenditure on raising funds:					
Financing costs	6	<u>41,788</u>	<u>-</u>	<u>41,788</u>	<u>58,146</u>
Total	7a	<u>7,504,866</u>	<u>-</u>	<u>7,504,866</u>	<u>7,398,144</u>
Net income and expenditure		514,378	9,090	523,468	783,634
Transfer between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		514,378	9,090	523,468	783,634
<i>Funds brought forward 1 September 2020</i>		<u>15,680,042</u>	<u>21,145</u>	<u>15,701,187</u>	<u>14,917,553</u>
Funds carried forward at 31 August 2021		<u>16,194,420</u>	<u>30,235</u>	<u>16,215,565</u>	<u>15,701,187</u>


All incoming resources and resources expended are derived from continuing operations.

The notes on pages 15 to 28 form part of these financial statements

THE BEACON EDUCATIONAL TRUST LTD
COMPANY NUMBER: 01067862
BALANCE SHEET
31 AUGUST 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	8	<u>17,254,424</u>	<u>16,539,895</u>
CURRENT ASSETS			
Stock		5,351	5,239
Debtors	9	1,179,967	1,485,673
Cash at bank and in hand		<u>4,076,265</u>	<u>4,200,451</u>
		5,261,583	5,691,363
CREDITORS: Amounts falling due within one year	10	<u>(4,719,068)</u>	<u>(4,593,392)</u>
NET CURRENT ASSETS		<u>533,515</u>	<u>1,097,971</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		17,796,939	17,637,866
CREDITORS: Amounts falling due after more than one year	11a	<u>(1,572,284)</u>	<u>(1,936,679)</u>
TOTAL NET ASSETS		<u>16,224,655</u>	<u>15,701,187</u>
Unrestricted funds	13	16,194,420	15,680,042
Restricted funds	14	<u>30,235</u>	<u>21,145</u>
TOTAL FUNDS	15	<u>16,224,655</u>	<u>15,701,187</u>

These financial statements were approved and authorised for issue by the Board and were signed on its behalf on 24 March 2022

DocuSigned by:

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DCL Miller
Chairman

The notes on pages 15 to 28 form part of these financial statements

THE BEACON EDUCATIONAL TRUST LTD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £'000	2020 £'000
Cash Flows from Operating Activities		
Net movement in funds	523,468	783,634
Depreciation	708,257	736,602
(Profit)/loss on disposal of tangible fixed asset	-	(2,415)
(Increase)/decrease in stock	(112)	(1,178)
Decrease/(increase) in debtors	305,706	704,622
Increase in creditors	48,212	204,123
Interest paid	41,788	58,146
Interest received	<u>(58,688)</u>	<u>(14,392)</u>
Cash Used in Operating Activities	<u>1,568,631</u>	<u>2,469,142</u>
Cash Flows from Investing Activities		
Interest received	58,688	14,392
Purchase of tangible fixed assets	(1,442,786)	(451,151)
Proceeds from sale of tangible fixed assets	<u>-</u>	<u>3,394</u>
Cash Provided used in Investing Activities	<u>(1,364,098)</u>	<u>(433,365)</u>
Cash Flows from Financing Activities		
New loans received	-	240,000
Repayment of long term bank loan	(258,105)	(259,556)
Advanced fees utilised	(199,899)	(223,700)
Receipts from advanced fees	171,074	131,088
Interest Paid	<u>(41,788)</u>	<u>(58,146)</u>
Cash used in Financing Activities	<u>(328,718)</u>	<u>(170,314)</u>
Change in cash and cash equivalents in the year	(124,186)	1,865,463
Cash and cash equivalents at the beginning of the year	<u>4,200,451</u>	<u>2,334,988</u>
Total cash and cash equivalents at the end of the year	<u>4,076,265</u>	<u>4,200,451</u>
	At 31 August 2021 £	At 31 August 2020 £
Cash at bank	<u>4,076,265</u>	<u>4,200,451</u>
Total cash and cash equivalents at the end of the year	<u>4,076,265</u>	<u>4,200,451</u>

The notes on pages 15 to 28 form part of these financial statements

THE BEACON EDUCATIONAL TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1. Company information

The Beacon Educational Trust's principal activity continued to be the provision of a Day School for 3-13 year old boys. The incorporated Charity (Charity registration number 309911, Company registration number 01067862), is incorporated and domiciled in the UK and is a company limited by guarantee. The address of the registered office is Amersham Road, Chesham Bois, Amersham, Buckinghamshire, HP6 5PF.

2. ACCOUNTING POLICIES

a) Accounting Convention

The financial statements have been prepared in accordance with 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) – Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Beacon Educational Trust 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 notes.

b) Going concern

2020 and 2021 have been an unprecedented experience in terms of the Covid global pandemic, the effects of which, economic and otherwise, may continue further into the future both for families and the School. However the School has prepared conservative financial projections for the near to medium term which indicate that even if Government restrictions forced the School site to close again, the School is financially well placed to withstand such headwinds.

Having reviewed the funding facilities available to the School together with the expected on-going demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

c) Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost 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.

d) Incoming resources

All incoming resources are included in the statement of financial activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Amounts billed for termly fees and extra curricula activities are recognised as incoming resources when receivable. Amounts received prior to the balance sheet date for autumn term fees are recorded as fees received in advance, as are amounts received for future fee periods under the fee prepayment scheme. Fees receivable are stated after deducting allowances, bursaries and other remissions granted by the School.

Coronavirus Job Retention Scheme (CJRS) grant income is recognised on a straight line basis over the furlough period of each relevant employee, as permitted by the Charities SORP.

THE BEACON EDUCATIONAL TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

2. ACCOUNTING POLICIES (CONTINUED)

e) Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Governance costs comprise the costs of running the company, including external audit, and legal advice for the School's Governors, and all costs of complying with constitutional and statutory requirements, such as the costs of Committee meetings and of preparing the statutory accounts and satisfying public accountability.

Redundancy and termination payments are included within the accounts on an accruals basis, in line with other expenditure and measure at the best estimate of the expenditure required to settle the obligation at the reporting date.

g) Tangible fixed assets

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:-

Freehold buildings	- 2% per annum (straight line)
Minor works	- 10% per annum (straight line)
Fixtures, fittings and equipment	- 10% per annum (straight line)
Motor vehicles	- 25% per annum (straight line)
Computer equipment	- 33% per annum (straight line)

Assets under £500 are not capitalised.

h) Pupil Fee Deposits

The Governors have reviewed the contract terms under which Pupil fee deposits are held by the School. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the School, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August 2021 have been included within current liabilities. The prior year Pupil fee deposits balance has been similarly re-presented.

i) Pension costs

The School contributes to the Teachers' Pension Scheme at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The scheme is a multi-employer pension scheme and is not possible to identify the assets and liabilities of the scheme, which are attributable to the School. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme.

The School also contributes to a defined contribution scheme schemes for non-teaching staff.

The contributions are charged in the Statement of Financial Activities in the year in which they are payable.

The pension costs charged in the year for the Teachers' Pension Scheme are based on the contributions made to the centralised Government pension scheme run by the Department of Education as stated in note 18 to these financial statements.

j) Operating leases

As Lessee

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred.

THE BEACON EDUCATIONAL TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

2. ACCOUNTING POLICIES (CONTINUED)

j) Operating leases (continued)

As Lessor

In respect of operating leases for which the School is the lessor, the rents received are recognised in the financial statements in the period they relate to.

k) Taxation

The company is a registered Charity. It has no liability to corporation tax on any of its sources of income or on any chargeable gains realised to date

l) Financial instruments

Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost.

3. Significant judgements and estimates

In the application of the Charity's accounting policies, which are described in note 2, Governors are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The Governors consider there are no material sources of estimation uncertainty on the amounts recognised in the financial statements.

4a. FEES RECEIVABLE

	2021 £	2020 £
School fees receivable consist of:		
Gross fees	7,919,078	7,942,956
Less: Bursaries & Allowances	<u>(135,629)</u>	<u>(154,752)</u>
Net fees receivable	<u><u>7,783,449</u></u>	<u><u>7,788,204</u></u>

4b. ANCILLARY TRADING INCOME

Fees in lieu of notice	50,922	5,020
School fees refund scheme	(171)	9,017
School bus	65,144	35,035
Registration charges	24,375	15,650
Learning support fees	6,179	7,806
After school care	-	8,456
Deposits forfeited	14,049	6,975
Music tuition and instrument hire	105	30
Miscellaneous income	<u>16,504</u>	<u>26,129</u>
	<u><u>177,107</u></u>	<u><u>114,118</u></u>

THE BEACON EDUCATIONAL TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

5. STAFF COSTS

	2021 £	2020 £
Wages and salaries	3,892,726	3,857,746
Social security costs	397,457	384,822
Pension contributions	<u>644,821</u>	<u>621,062</u>
	<u>4,951,244</u>	<u>4,863,630</u>

The average number of employees in the year was:-

Teachers and teaching assistants	87	89
Support	23	23
Welfare	7	5
Premises	<u>6</u>	<u>4</u>
	<u>123</u>	<u>121</u>

The number of employees whose remuneration exceeded £60,000 was:

	No.	No.
Between £60,000 - £70,000	3	2
Between £70,000 - £80,000	1	1
Between £80,000 - £90,000	-	-
Between £100,000 - £110,000	1	1
Between £110,000 - £120,000	<u>1</u>	<u>1</u>

Of the employees whose annual remuneration exceeded £60,000, 4 (2020: 3) have retirement benefits accruing under a defined benefit scheme. Total employer contributions in the year to the defined benefit scheme were £81,887 (2020: £65,967). Of the employees whose annual remuneration exceeded £60,000, 1 (2020: 1) has retirement benefits accruing under a defined contribution scheme. Total employer contributions in the year to the Scheme were £6,653 (2020: £6,825).

None of the Governors received any remuneration during the year (2020: Nil). During the year one (2020: one) Governor was reimbursed travelling expenses totalling £92 (2020: £26).

Key management personnel consists of the Headteacher and the Director of Finance and Operations. They received aggregate remuneration (including employer's national insurance and pension contributions) of £283,079 (2020: £289,039).

During the year termination payments totalling £12,202 (2020: Nil) were paid to two (2020: Nil) employees.

6. FINANCING COSTS

	2021 £	2020 £
On bank loans and overdrafts	35,144	56,111
Advance payment of fees discount	<u>6,644</u>	<u>2,035</u>
	<u>41,788</u>	<u>58,146</u>

THE BEACON EDUCATIONAL TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

7a. EXPENDITURE – Analysis of total resources expended

2021	Staff costs £	Other £	Depreciation £	2021 £	2020 £
Charitable activities:					
Teaching costs	3,809,569	355,270	152,624	4,317,463	4,192,040
Welfare costs	101,983	295,926	-	397,909	379,184
Premises costs	122,257	705,776	529,404	1,357,437	1,416,526
Support costs	864,819	433,540	26,229	1,324,588	1,301,020
Governance costs	<u>36,376</u>	<u>29,305</u>	<u>-</u>	<u>65,681</u>	<u>51,228</u>
	<u>4,935,004</u>	<u>1,819,817</u>	<u>708,257</u>	<u>7,463,078</u>	<u>7,339,998</u>
Cost of generating funds:					
Finance costs	<u>-</u>	<u>41,788</u>	<u>-</u>	<u>41,788</u>	<u>58,146</u>
TOTAL RESOURCES EXPENDED	<u>4,935,004</u>	<u>1,861,605</u>	<u>708,257</u>	<u>7,504,866</u>	<u>7,398,144</u>

2020	Staff costs £	Other £	Depreciation £	2020 £	2019 £
Charitable activities:					
Teaching costs	3,768,924	259,587	163,529	4,192,040	4,337,933
Welfare costs	99,277	279,907	-	379,184	493,171
Premises costs	114,211	781,757	520,558	1,416,526	1,450,303
Support costs	851,079	421,488	34,525	1,301,020	1,047,855
Governance costs	<u>30,139</u>	<u>21,089</u>	<u>-</u>	<u>51,228</u>	<u>32,303</u>
	<u>4,863,630</u>	<u>1,763,828</u>	<u>718,612</u>	<u>7,339,998</u>	<u>7,361,565</u>
Cost of generating funds:					
Finance costs	<u>-</u>	<u>-</u>	<u>58,146</u>	<u>58,146</u>	<u>112,261</u>
TOTAL RESOURCES EXPENDED	<u>4,863,630</u>	<u>718,612</u>	<u>1,819,917</u>	<u>7,473,826</u>	<u>7,215,699</u>

7b. NET INCOMING RESOURCES

	2021 £	2020 £
These are stated after charging/(crediting):		
Auditors' remuneration	16,410	15,203
Depreciation on tangible fixed assets : owned assets	719,790	736,602
Profit on disposal of tangible fixed assets	<u>-</u>	<u>(2,415)</u>

THE BEACON EDUCATIONAL TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

8. TANGIBLE FIXED ASSETS

	Freehold land & buildings £	Assets under the course of construction £	Furniture & equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation						
1 September 2020	20,947,644	-	968,872	760,387	198,254	22,875,157
Additions	1,335,192	25,065	3,704	58,825	-	1,422,786
Disposals	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
31 August 2021	<u>22,282,836</u>	<u>25,065</u>	<u>972,576</u>	<u>819,212</u>	<u>198,254</u>	<u>24,297,943</u>
Depreciation						
1 September 2020	5,071,579	-	472,439	682,771	108,473	6,335,262
Charge for the year	526,280	-	84,926	59,438	37,613	708,257
Disposals	-	-	-	-	-	-
31 August 2021	<u>5,597,859</u>	<u>-</u>	<u>557,365</u>	<u>742,209</u>	<u>146,087</u>	<u>7,043,519</u>
Net book values						
31 August 2021	<u>16,684,977</u>	<u>25,065</u>	<u>415,212</u>	<u>77,003</u>	<u>52,167</u>	<u>17,254,424</u>
31 August 2020	<u>15,876,065</u>	<u>-</u>	<u>496,433</u>	<u>77,616</u>	<u>89,781</u>	<u>16,539,895</u>

THE BEACON EDUCATIONAL TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

9. DEBTORS

	2021 £	2020 £
Fees and disbursements	1,064,466	1,393,781
Other debtors	11,367	35,472
Prepayments	<u>104,134</u>	<u>56,420</u>
	<u>1,179,967</u>	<u>1,485,673</u>

2021 fees and disbursements include the Autumn 2021 fees that were invoiced prior to the year end.

10. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Bank loans	478,655	411,613
Other loans	24,000	24,000
Trade creditors	167,474	42,830
Deposits	562,567	544,535
Other taxes and social security	95,619	89,886
Other creditors	83,338	21,065
Autumn fees in advance	2,835,023	2,846,459
Fee prepayment schedule	174,286	163,864
Accruals and deferred income	<u>298,106</u>	<u>449,140</u>
	<u>4,719,068</u>	<u>4,593,392</u>

11a. CREDITORS: Amounts falling due after one year

	2021 £	2020 £
Bank loans	1,184,666	1,493,814
Other loans	200,000	216,000
Fee prepayment schedule	<u>187,618</u>	<u>226,865</u>
	<u>1,572,284</u>	<u>1,936,679</u>

THE BEACON EDUCATIONAL TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

11b. LOAN MATURITY

Bank loans are repayable as follows:

	2021 £	2020 £
In less than one year:	478,655	411,613
In more than one year but less than two years:	152,309	392,219
In more than two years but less than five years:	456,927	456,924
After more than five years:	<u>575,431</u>	<u>644,671</u>
	<u>1,663,321</u>	<u>1,905,427</u>

The bank loans are secured by a specific charge on the company's freehold properties.

The first bank loan has an outstanding balance at the year- end of £1,336,975 and is repayable by equal quarterly amounts over 25 years. Interest is payable at 1.75% above base rate.

The second bank loan has an outstanding balance at the year- end of £326,346 and is repayable by equal termly amounts over 20 years. Interest is payable at 2.22% above base rate.

Other loans are repayable as follows:

	2021 £	2020 £
In less than one year:	24,000	24,000
In more than one year but less than two years:	24,000	24,000
In more than two years but less than five years:	72,000	72,000
After more than five years:	<u>104,000</u>	<u>120,000</u>
	<u>224,000</u>	<u>240,000</u>

The loan is to finance pool repairs. It is not secured and is repayable over ten years.

12. FEE PREPAYMENT SCHEDULE

Lump sums may be paid to the Trust as advance payment of future fees. Assuming students will remain in the School, advance fees received will be applied as follows:

	2021 £	2020 £
Within 1 year	174,286	163,864
Within 2 to 5 years	<u>187,618</u>	<u>226,865</u>
	<u>361,904</u>	<u>390,729</u>

The balance represents the accrued liability.

The movements during the year were:

	£
<i>Balance at 1 September 2020</i>	390,729
Amounts received	171,074
Amounts utilised in the payment of fees	<u>(199,899)</u>
Balance at 31 August 2021	<u>£ 361,904</u>

THE BEACON EDUCATIONAL TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

13. UNRESTRICTED FUNDS

	<i>At 1 September 2020 £</i>	<i>Incoming Resources £</i>	<i>Resources expended £</i>	<i>Transfer of funds</i>	<i>At 31 August 2021 £</i>
Unrestricted funds	<u>15,680,042</u>	<u>8,037,319</u>	<u>(7,522,941)</u>	<u>-</u>	<u>16,194,420</u>
Total	<u>15,680,042</u>	<u>8,037,319</u>	<u>(7,522,941)</u>	<u>-</u>	<u>16,194,420</u>

14. RESTRICTED FUNDS

	<i>At 1 September 2020 £</i>	<i>Incoming Resources £</i>	<i>Resources expended £</i>	<i>Transfer of funds £</i>	<i>At 31 August 2021 £</i>
Restricted funds	<u>21,145</u>	<u>9,090</u>	<u>-</u>	<u>-</u>	<u>30,235</u>
Total	<u>21,425</u>	<u>9,090</u>	<u>-</u>	<u>-</u>	<u>30,235</u>

Restricted funds relates to donations from the Beacon Parent Society for the purchase of various assets, to donations from leaver parents to provide bursaries and to donations to the Headmaster's Fund. The transfer to unrestricted funds represents the pledges that the Beacon Parent Society has made to fund various assets initially paid for from unrestricted funds.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2021	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	17,254,424	-	17,254,424
Net current assets	512,280	30,235	542,515
Long term liabilities	<u>(1,572,284)</u>	<u>-</u>	<u>(1,572,284)</u>
Total	<u>£16,194,420</u>	<u>£ 30,235</u>	<u>£ 16,224,655</u>
2020	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	16,539,895	-	16,539,895
Net Current assets	1,076,826	21,145	1,097,971
Long term liabilities	<u>(1,936,679)</u>	<u>-</u>	<u>(1,936,679)</u>
Total	<u>£15,680,042</u>	<u>£ 21,145</u>	<u>£ 15,701,187</u>

THE BEACON EDUCATIONAL TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

16. COMMITMENTS

At the year end, the School had no contracted capital commitments (2020: £Nil).

17. OPERATING LEASES

17a. Operating Lease Commitments

At 31 August 2021 the School had annual commitments under non-cancellable operating leases as follows:

	2021 £	2020 £
EXPIRY DATE:		
Less than 1 year	12,092	11,227
Between one and five years	<u>6,888</u>	<u>16,818</u>
	<u>£ 18,980</u>	<u>£ 28,045</u>

17b. Operating Leases as Lessor

At 31 August 2021 the School was due to receive the following amounts under non cancellable operating leases:

	2021 £	2020 £
Due in 1 year	39,600	39,600
Due in 2-5 years	180,000	180,000
Due in more than 5 years	<u>180,000</u>	<u>225,000</u>
	<u>£ 399,600</u>	<u>£ 444,600</u>

During the year payments made for operating leases totalled £9,065 (2020: £14,270).

18. PENSION SCHEME

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £598,133 (2020: £572,296) and at the year-end £70,431 (2020: £66,172) was accrued in respect of contributions to this scheme.

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

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

THE BEACON EDUCATIONAL TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

18. PENSION SCHEME (continued)

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

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

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

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

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

Other Pensions

In addition to the above, the Company contributes on a defined contribution basis to personal pension plans. Contributions totalling £46,537 (2020: £48,621) were payable to these funds for the year.

There were £7,632 unpaid contributions (2020: £4,189) at the year end.

19. RELATED PARTY TRANSACTIONS

During the year there were amounts paid to the Beacon Educational Trust Limited from the Beacon Bursary Fund in respect of School fees of £23,884 (2020: £111,804). The year-end balance owed by Beacon Bursary Fund to the Beacon Educational Trust is £3,351 (2020: £75,207).

THE BEACON EDUCATIONAL TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

20. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2021 £	2020 £
Increase/(decrease) in cash in the year	(124,186)	1,865,463
Loan repayments	258,105	259,556
New loan drawn	-	(240,000)
Advanced fees utilised	199,899	223,700
Receipts from advanced fees	<u>(171,074)</u>	<u>(131,088)</u>
Change in net funds/(debt)	162,744	1,977,631
Net funds/(debt) at 1 September	<u>1,664,295</u>	<u>(313,336)</u>
Net funds/(debt) at 31 August	<u>£ 1,827,039</u>	<u>£ 1,664,295</u>

21. ANALYSIS OF CHANGE IN NET FUNDS / (DEBT)

	<i>Net funds as at 1 September 2020 £</i>	<i>Cash Change £</i>	<i>Net funds as at 31 August 2021 £</i>
Cash at bank and in hand	4,200,451	(124,186)	4,076,265
Bank loans	(1,905,426)	234,105	(1,887,321)
Other loans	(240,000)	24,000	(216,000)
Advanced fees scheme	<u>(390,729)</u>	<u>28,025</u>	<u>(361,904)</u>
	<u>£ 1,664,295</u>	<u>£ (162,744)</u>	<u>£ 1,827,040</u>

THE BEACON EDUCATIONAL TRUST LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

22. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>Total 2020 £</i>
<i>INCOME AND ENDOWMENTS FROM:</i>			
<i>Charitable activities:</i>			
<i>School fees receivable</i>	7,788,204	-	7,788,204
<i>Ancillary trading income</i>	116,175	-	116,175
<i>Other trading activities:</i>			
<i>Interest received</i>	14,392	-	14,392
<i>Rent and facility hire</i>	59,430	-	59,430
<i>Donations</i>	<u>-</u>	<u>10,245</u>	<u>10,245</u>
<i>Total</i>	<u>8,171,353</u>	<u>10,425</u>	<u>8,181,778</u>
<i>EXPENDITURE ON:</i>			
<i>Charitable activities:</i>			
<i>School operating costs</i>	7,339,998	-	7,339,998
<i>Expenditure on raising funds:</i>			
<i>Financing costs</i>	<u>58,146</u>	<u>-</u>	<u>58,146</u>
<i>Total</i>	<u>7,398,144</u>	<u>-</u>	<u>7,398,144</u>
<i>Net income and expenditure</i>	773,209	10,425	783,634
<i>Transfer between funds</i>	<u>11,299</u>	<u>(11,299)</u>	<u>-</u>
<i>NET MOVEMENT IN FUNDS</i>	<u>784,508</u>	<u>(874)</u>	<u>783,634</u>
<i>Funds brought forward 1 September 2019</i>	<u>14,895,534</u>	<u>22,019</u>	<u>14,927,553</u>
<i>Funds carried forward at 31 August 2020</i>	<u>15,680,042</u>	<u>21,145</u>	<u>15,701,187</u>

