

**Fairfield PNEU School (Backwell) Limited**

(A company limited by guarantee)

**Annual Report and Financial Statements  
For the year ended 31 August 2021**

Charity no: 310215  
Company no: 00814684

**Annual report and financial statements for the year ended 31 August 2021**

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**Reference and Administrative Information**

**Directors and Trustees:**

**Foundation Governors:**

Mr Ryan Davies (Chairman)  
Mrs F Kennedy  
Mrs G Rowcliffe  
Mrs S Byles  
Ms M Stimson

**Parent Governors:**

Mr T Morgan

**Headmistress:**

Mrs L Barton

**Registered Office:**

Linemere  
Fairfield Way  
Backwell  
BRISTOL  
BS48 3PD

**Auditors:**

Corrigan Accountants Limited  
The Tramshed  
25 Lower Park Row  
Bristol  
BS1 5BN

**Bankers:**

Svenska Handelsbanken AB (publ)  
First Floor, 43-44 Martingale Way  
Portishead  
BRISTOL  
BS20 7AW

**Solicitors:**

Trethowans LLP  
The Pavillion  
Botleigh Grange Business Park  
Hedge End  
Southampton  
SO30 2AF

## **Report of the Trustees for the year ended 31 August 2021**

The Governors, who are the trustees of the charity for the purposes of the Charities Act and also the directors of the company for the purposes of the Companies Act, present their annual report and the audited financial statements for the year ended 31 August 2021.

### **Reference and Administrative Information**

The School was founded in 1935 and is a charitable company limited by guarantee (company number 00814684) and a charity registered by the Charity Commission (charity number 310215).

The information in respect of the Governors, officers and advisors has been included on page 1 and forms part of this report.

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

#### Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 6 August 1964 and registered as a charity on 3 September 1964. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

#### Recruitment and Appointment of the Board of Governors

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Governors (Governors). Under the requirements of the Memorandum and Articles of Association the Board of Governors shall consist of a minimum of five and a maximum of sixteen Governors of whom, when the Board is complete, four shall be Parent and Friends Governors and twelve Foundation Governors.

Parent Governors may be nominated by parents of pupils currently attending the school and must, themselves, have a child at the school. Appointments are confirmed by the Board of Governors. Parent Governors are appointed for a maximum period of three years and are not subject to re-nomination as a Parent Governor. A Parent Governor shall resign when their child ceases to be a pupil at the school.

Friends Governors are nominated by persons invited by the Governors to be "Friends" of the School. Friends Governors are appointed for an initial period of four years and shall be eligible for re-election for a further term of four years.

Foundation Governors are appointed by the Board of Governors and serve for four years following which they are eligible for re-appointment for a further term of four years. Thereafter such Foundation Governors may only be re-appointed for a further term of four years by a special resolution of the Governors. Governors are required to vacate office at the next Annual General Meeting after their 75th birthday.

The Board of Governors consists of a mix of educational, business and financial skills. In an effort to maintain this broad skill mix individuals are approached, as necessary, to offer themselves for election to the Board of Governors. All applicants are required to complete an application form which asks for details of their relevant skills and experience.

#### Governor Induction and Training

Most governors are already familiar with the work of the School. Additionally, new governors are given an individual induction by the Chairman of the Board of Governors which covers:

- The obligations of members of the Board of Governors.
- The current financial position of the School.
- Future plans and objectives.

**Report of the Trustees for the year ended 31 August 2021 (continued)**

**Structure, Governance and Management (continued)**

Governor Induction and Training (continued)

All new governors are also given a pack which has been prepared drawing information from various Charity Commission and Companies House publications. This shows their obligations both as a governor of the charity and as a director of the company and includes copies of the company's Memorandum and Articles of Association, latest audited accounts and five-year development plan.

Where a governor has relevant experience or skills he may be invited to join one of the Governing Body's four standing committees.

Ongoing training is provided to members of the Board of Governors, where appropriate, to enable them to undertake specific roles — such as a governor responsible for Child Protection in the school.

Feedback from new governors about their induction has been very positive.

Risk Management

The Governors hold responsibility for the management of the risks faced by the school. They have considered the major risks to which the school is exposed and continue to review regularly the controls necessary to mitigate those risks.

The Full Board of Governors is responsible for the management of the risks faced by the School; detailed consideration of financial risks is delegated to the Finance and General Purposes Committee.

Key controls implemented by the governors include:

- Five-year development plan;
- Established organisational structure and lines of reporting;
- Formal written policies and procedures (reviewed annually);
- Comprehensive budget and management accounting;
- Vetting procedures in line with Department for Education, and Disclosure and Barring Service guidance.

Risks and uncertainties relating to the Covid-19 pandemic are discussed below.

*Financial Risks*

The risk on amounts owed to the School by its customers is low as the majority of debtors settle their accounts either in full on a termly basis or through external providers (who offer monthly payment facilities). The school's funds are placed on interest bearing accounts to ensure maximum benefit from funds. To spread risk in the current economic climate, the governors have placed money not required for immediate requirements into deposit accounts with Handelsbanken, HSBC, Nationwide Building Society and Virgin Money which increases protection under the "Financial Services Compensation Scheme". The school has fully repaid all loans during the year. The loan last year was held on long-term fixed rates to avoid large fluctuations in monthly repayments.

*Health and Safety Risks*

The school has a detailed Health and Safety Policy (reviewed and approved annually by the Board of Governors) which is supported by regular risk assessments. The school's health and safety policies and procedures are assessed during inspections by the Independent Schools Inspectorate and the local authority (for premises licence renewals).

**Report of the Trustees for the year ended 31 August 2021 (continued)**

**Structure, Governance and Management (continued)**

Risk Management (continued)

*Child Protection Risks*

The school has a detailed Safeguarding and Child Protection Policy which is reviewed and approved at least annually by the Board of Governors. All staff (including administration and ancillary staff) have enhanced level Disclosure and Barring Service checks completed in advance of commencing work; all governors have enhanced level Disclosure and Barring Service checks completed on their appointment. All staff receive regular safeguarding and child protection training; the latest training was held in September 2021 and included the Prevent Duty. Safeguarding and Child Protection procedures are in line with the current Department for Education guidance.

*Covid-19*

The World Health Organisation declared the novel coronavirus (Covid-19) a pandemic in March 2020. The School delivered full-time teaching remotely throughout the subsequent lockdowns. The School operated a bubble system during the autumn term of 2020 and delivered full time remote teaching (often live teaching) during the spring term lockdown. Following a comprehensive risk assessment by the school, and reviewed by the Premises Committee members, the School safely reopened in early March 2021. Our smaller class sizes mean that we can maintain relatively small social bubbles and high standards of education. The Board will continue to monitor the guidance so that the risks relating to this unprecedented situation are managed appropriately.

Organisation and related parties

The day-to-day activities of the school are organised by the Headmistress who is assisted by the Facilities Bursar, school secretary, Financial Controller, Finance Officer and teaching staff. The Headmistress oversees the recruitment of all staff.

The Headmistress is responsible to the board of governors and reports directly to the Chairman of the Governing Council and the Finance Officer reports (jointly) to the Headmistress, Chairman and to the Finance and General Purposes Committee who are also Governors.

In addition to the full Board of Governors there are also four standing committees:

- Finance and General Purposes
- Premises and Health and Safety
- Education
- Marketing

These meet at appropriate intervals. The full Board of Governors meets at least once a term.

Two governors (Mr R Davies and Mr T Morgan) had children educated at the school between 1 September 2020 and 31 August 2021). All governors pay full fees for their children's education at the school subject to the benefit of any discounts, scholarships and bursaries for which they are eligible and which are potentially available to all parents.

**Report of the Trustees for the year ended 31 August 2021 (continued)**

**Objectives and Activities**

The charity's objects and principal activities are "to advance education by carrying on in Great Britain a school or schools".

The School will remain a day, co-educational, independent school offering education for children from 2 to 11+. It will continue to provide a broad, liberal education closely informed by the National Curriculum and within a Christian environment which aims to develop to the full the capabilities of each individual child. Pupil numbers will be based upon a single class for each year group with class sizes normally up to a maximum of 20 pupils. It will continue to prepare children both for the independent schools in the district and for the maintained secondary schools and aims to foster close and amicable relations with the local community. It will remain affiliated through the Independent Schools' Association to the Independent Schools' Council. As a non-profit making body, it will retain its charitable status.

In setting the School's objectives the Governors have given careful consideration to the Charity Commission's guidance on public benefit and on fee charging. To admit a prospective pupil the School needs to be satisfied that it will be able to educate and develop the pupil to the best of the pupil's potential and in line with the general standards achieved by the pupil's peers. Potential pupils are required to attend an assessment and informal observation to establish their current academic and emotional maturity.

It is important to the School that access to the education it provides is available to those who may not be able to afford its fees. To achieve this the school actively promotes its bursary scheme through which bursaries are awarded to new pupils of up to 100% of school fees, on the basis of financial need. During the 2020-2021 financial year 6 children benefited from means tested bursaries.

The school also seeks to continue to actively promote links with the local community, making its facilities available to external organisations, groups and clubs, by hosting and participating in inter-school sports fixtures and quizzes, and taking part in community religious services, competitions and initiatives. The School has good links with local senior schools and offer work placements to students from local schools and universities.

Over the next five years the Governors will continue the programme of improving facilities and the education provision.

**Achievements and Performance**

This year 2020-2021 was an extremely busy and very successful one for the school and pupils. Year 6 pupils were very successful in winning places at senior Independent Schools and received five scholarship offers.

In Music and Drama there were the usual excellent assemblies, concerts and drama productions from pupils throughout the school during the autumn term but the pandemic prevented the KS2 spring term production. The summer term traditional Shakespeare production took place in the school hall this year with a restricted audience and Covid protocols in place.

The pandemic prevented fixtures taking place throughout lockdown and also once the children returned to school in the summer term.

**Report of the Trustees for the year ended 31 August 2021 (continued)**

**Objectives and Activities (continued)**

Our cross-curricular topic based curriculum throughout the year continues to be successfully delivered. 2020-2021 followed the themes of: Around the World in 67 days, How Does it Work, Land of the Rising Sun. Trips and visits included: Weston Pier, EYFS went to Wild Place Project, Year 6 went to PGL at Barton Hall, Years 4 and 5 went on a residential trip to Hooke Court and Year 3 to Kilve Court, before lockdown and COVID-19 prevented any more trips and visits.

**Financial Review**

The financial state of affairs of the school is shown in the accompanying financial statements and the Governors consider the result for the year to be satisfactory. In the Governors' opinion the school assets are available and adequate to fulfil the school's obligations for the provision of education.

*Principal Funding Sources*

The school has no permanent endowment funds.

The principal funding sources for the School are income derived from school fees — comprising mainly charges for educational provision, individual tuition and extra-curricular activities. Additional income is generated through hiring out school facilities to the local community. The school has a very active Parent Teacher Association which is raising funds to provide additional items for the school which will enhance the children's learning.

*Investment Policy*

Aside from retaining a prudent amount in reserves each year most of the School's funds are spent in the short term so there are no funds for long-term investment. Having considered the options available, the Board of Governors has decided to keep this money available in interest-bearing deposit accounts.

*Reserves Policy*

The Board of Governors has examined the School's requirements for reserves in light of the main risks to the organisation.

As shown in note 17 to the accounts the School's reserves have a balance of £1.46m. The closing value of our tangible assets, property, plant and equipment was £1.26m.

The Governors consider that given the strength of the charity's balance sheet, the stable cashflow from student fees, the ongoing popularity of our School, and the available banking facility that can be called upon if need arises that there is no current need to build up a further free reserve. They have considered the uncertainties relating to the Covid-19 pandemic. The Governors recognise that the level of reserves fluctuates during periods of investment in the School Estate and the arrangements with our bank are in place to provide an adequate 'safety net' should it be required.

**Plans for Future Periods**

The School plans to continue the activities outlined above in the forthcoming years. The Board of Governors maintains an ongoing review of the School's marketing strategy and practices to ensure sufficient recruitment of new pupils. The Board will also continue to monitor and assess risks to the School whether those risks are of a financial, health and safety or operational basis.



## **Fairfield PNEU School (Backwell) Limited**

The trustees (who are also directors of Fairfield PNEU School (Backwell) Limited for the purposes 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 the 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 (FRS 102);
- 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;
- 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 proper 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### **Small company provisions**

This report has been prepared in accordance with the 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 (FRS102) ("Charities SORP (FRS102)") and in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board of Governors on ...20 December 21... and signed on its behalf by:



Mr R Davies (Chairman)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAIRFIELD PNEU SCHOOL (BACKWELL) LIMITED**

**Opinion**

We have audited the financial statements of Fairfield PNEU School (Backwell) Limited (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement, 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 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**

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

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

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

**Other information**

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

We have nothing to report in this regard.

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

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

- the information given in the report of the trustees (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAIRFIELD PNEU SCHOOL (BACKWELL) LIMITED  
(continued)**

**Matters on which we are required to report by exception**

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

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime, and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 6 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks applicable to the charitable company and the sector in which it operates.

We obtained an understanding of how the charitable company is complying with those legal and regulatory frameworks by making enquiries to management.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management in relation to actual and potential claims or litigation;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Performing detailed transactional testing with a particular focus around the year-end cut off; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the rationale for significant transactions that may be unusual or outside the normal course of the charitable company's business.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

### Use of our report

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

*Corrigan Accountants Limited*

Stuart Crisp BSc FCA (Senior Statutory Auditor)

For and on behalf of Corrigan Accountants Limited (Statutory Auditors)

The Tramshed, 25 Lower Park Row, Bristol, BS1 5BN.

Date: 22 December 2021

## Fairfield PNEU School (Backwell) Limited

### Statement of Financial Activities for the year ended 31 August 2021 (including the Income and Expenditure Account)

	Notes	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
<b>Income and endowments from:</b>					
Donations and legacies	2	13,524	-	13,524	66,232
Charitable activities					
<i>Education – School fees</i>		968,932	-	968,932	839,182
Investments	3	1,027	-	1,027	685
Other income		437	2,734	3,171	4,475
<b>Total income</b>		<b>983,920</b>	<b>2,734</b>	<b>986,654</b>	<b>910,574</b>
<b>Expenditure on:</b>					
Charitable activities					
<i>Education</i>	4, 5	925,516	1,324	926,840	989,992
<b>Total expenditure</b>		<b>925,516</b>	<b>1,324</b>	<b>926,840</b>	<b>989,992</b>
<b>Net income/(expenditure)</b>	6	<b>58,404</b>	<b>1,410</b>	<b>59,814</b>	<b>(79,418)</b>
<b>Net movement in funds</b>		<b>58,404</b>	<b>1,410</b>	<b>59,814</b>	<b>(79,418)</b>
Funds brought forward at 1 Sept	16, 17	1,381,056	19,248	1,400,304	1,479,722
Funds carried forward at 31 Aug	16, 17	<b>1,439,460</b>	<b>20,658</b>	<b>1,460,118</b>	<b>1,400,304</b>

All income and expenditure is derived from continuing activities.

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

**Fairfield PNEU School (Backwell) Limited**

**Balance Sheet as at 31 August 2021**

(Company number: 00814684)

12 JAN 2022	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	10	1,264,600	1,273,495
<b>Current assets</b>			
Stocks		250	250
Debtors	11	29,611	23,216
Cash at bank and in hand		369,352	283,764
		<u>399,213</u>	<u>307,230</u>
Creditors: amounts falling due within one year	12	(203,695)	(180,421)
<b>Net current assets</b>		<u>195,518</u>	<u>126,809</u>
<b>Total assets less current liabilities</b>		1,460,118	1,400,304
Creditors: amounts falling due after more than one year	13	-	-
<b>Net assets</b>		<u>1,460,118</u>	<u>1,400,304</u>
<b>The funds of the School:</b>			
<b>Unrestricted funds</b>			
General fund	16	1,165,639	1,107,235
Property revaluation reserve	16	273,821	273,821
		<u>1,439,460</u>	<u>1,381,056</u>
<b>Restricted funds</b>	16	<u>20,658</u>	<u>19,248</u>
<b>Total School funds</b>	16, 17	<u>1,460,118</u>	<u>1,400,304</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company. They are also prepared in accordance with Charities SORP (FRS102).

Approved for issue by the Board of Governors on 20 December 21 and signed on its behalf by:



Mr R Davies (Chairman)



Mrs S Byles (Governor)

Cash Flow Statement for the year ended 31 August 2021

	2021 £	2020 £
<b>Cash used in operating activities</b>		
Net movement in funds	59,814	(79,418)
Add back depreciation charge	8,895	8,992
Deduct interest income shown in investing activities	(1,027)	(685)
Add back interest expense shown in financing activities	625	22
(Increase) / decrease in debtors	(6,395)	19,927
Increase / (decrease) in creditors	30,635	(22,401)
<b>Cash from / (used in) operating activities</b>	<b>92,547</b>	<b>(28,760)</b>
<b>Cash flows from investing activities</b>		
Interest income	1,027	685
Purchase of tangible fixed assets	-	(6,558)
<b>Cash from / (used in) investing activities</b>	<b>1,027</b>	<b>(5,873)</b>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(7,361)	(7,168)
Interest paid	(625)	(22)
<b>Cash used in financing activities</b>	<b>(7,985)</b>	<b>(7,190)</b>
Increase / (decrease) in cash and cash equivalents in the year	85,588	(41,823)
Cash and cash equivalents at the beginning of the year	283,764	325,587
<b>Total cash and cash equivalents at the end of the year</b>	<b>369,352</b>	<b>283,764</b>

**Notes to the Financial Statements for the year ended 31 August 2021**

**1 Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**(a) Basis of preparation**

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) (Charities SORP (FRS 102)) and the Companies Act 2006.

Fairfield PNEU School (Backwell) Limited constitutes a public benefit entity as defined by FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The School reported a surplus of £59,814 for the year. The governors are of the view that, given the reported cash inflow in the year and the level of reserves at the year-end, reasonable assurance can be taken that the School will be able to meet its liabilities for the foreseeable future. This view is supported by income, expenditure and cashflow forecasts covering the period of 12 months from the date of approval of these financial statements. The governors have taken into account the uncertainties relating to the Covid-19 pandemic. Therefore these financial statements are prepared on the basis the School is a going concern.

**(b) Legal status of the School**

The School is a company limited by guarantee and is incorporated in England and Wales. The registered office is Linemere, Fairfield Way, Backwell, Bristol, BS48 3PD. The members of the company are the governors named on page 1. In the event of the School being wound up, the liability in respect of the guarantee is limited to £1 per member of the School.

**(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SOFA) when all of the following criteria are met:

- The School has entitlement to the funds;
- Any performance conditions attached to the income has been fully met or are within control of the School;
- There is sufficient certainty that the receipt of the income is probable; and
- The amount can be measured reliably.

Income received in advance of a school term or year is deferred until the criteria for income recognition is met.

**(d) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the School; this is normally upon notification of the interest paid or payable by the bank.



**Notes to the Financial Statements for the year ended 31 August 2021 (continued)**

**1 Accounting policies (continued)**

**(e) Fund accounting**

Unrestricted funds are available for use at the discretion of the governors in furtherance of the general objectives of the School.

Designated funds are unrestricted funds of the School which the governors have decided at their discretion to set aside to use for specific purpose.

Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the School 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.

Investment income and gains are allocated to the appropriate fund.

**(f) Allocation of support costs**

Support costs are those functions that assist the work of the School but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the School's educational activities. These costs are allocated between the cost of raising funds and expenditure on charitable activities. The basis of the allocation is given in note 5.

**(g) Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risk of ownership remain with the lessor are charged to the SOFA as incurred.

**(h) Tangible fixed assets and depreciation**

Fixed assets are initially recorded at cost. Depreciation has been charged on the fitting-out costs included within freehold buildings and furniture and equipment in use during the school year at rates calculated to write off the cost on a straight-line basis over their expected economic lives as follows:

Building fitting-out costs	— 10%
Furniture and equipment	— 25%

Other than fitting-out costs, freehold property is not depreciated. The governors have considered Charities SORP (FRS 102) which permits exclusion of depreciation on properties on which the annual charge and accumulated depreciation charge are immaterial. Depreciation may be immaterial as a result of very long estimated useful economic lives or high estimated residual values. The governors consider that this exclusion applies to the School's properties and accordingly have not depreciated them.

As permitted under the transitional provisions of FRS 102, the company has elected to treat as the deemed cost of its freehold land and buildings a previous GAAP revaluation of those assets. The difference between that valuation and historical cost is presented in a separate fund within unrestricted reserves.

**(i) Stock**

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost or net realisable value after making due allowance for obsolete and slow moving stocks.

**(j) Debtors**

Trade and other debtors are recognised at the settlement amount due after any discounts offered. Prepayments are valued at the amount prepaid after taking into account any discounts due.

**Notes to the Financial Statements for the year ended 31 August 2021 (continued)****1 Accounting policies (continued)****(k) Cash at bank and in hand**

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

**(l) Creditors and provisions**

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for discounts due.

**(m) Financial instruments**

The School only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The finance charge to expenditure is at a consistent rate calculated using the effective interest rate method.

**(o) Pensions**

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 and from 1 April 2014, the Teachers' Pension Scheme Regulations 2014.

Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The governors are unable to confirm the School's share of the underlying assets and liabilities of the TPS and therefore the scheme is accounted for as a defined contribution scheme.

The school also participates in a defined contribution Group Pension Scheme, administered by AVIVA, for its non-teaching staff. Contributions to this scheme are written off in the year in which they are paid.

**2 Donations, legacies and grants**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Donations	-	300
Government grant – Coronavirus Job Retention Scheme	12,514	58,068
Government grant – Early Years Funding	1,010	7,864
	<b>13,524</b>	<b>66,232</b>

Of the £13,524 received in 2021 (2020: £66,232) £Nil was restricted funds (2020: £Nil) and £13,524 (2020: £66,232) was unrestricted funds.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

3 Investment income

	2021 £	2020 £
Interest receivable	1,027	685

All of the School's investment income arises from money held in interest bearing deposit accounts.

4 Analysis of expenditure on charitable activities

	Staff costs £	Other direct costs £	2021 £	2020 £
Teaching	558,339	66,638	624,977	671,332
Welfare	55,727	1,356	57,083	70,219
Premises	15,548	73,865	89,413	90,755
Support costs (see note 5)	39,237	51,395	90,632	90,227
<b>School operating costs</b>	<b>668,851</b>	<b>193,254</b>	<b>862,105</b>	<b>922,533</b>
Governance costs (see note 5)	47,384	17,351	64,735	67,460
<b>Total resources expended</b>	<b>716,235</b>	<b>210,605</b>	<b>926,840</b>	<b>989,993</b>

Previous year:

	Staff costs £	Other direct costs £	2020 £
Teaching	596,710	74,622	671,332
Welfare	67,107	3,112	70,219
Premises	14,248	76,507	90,755
Support costs (see note 5)	38,543	51,684	90,227
<b>School operating costs</b>	<b>716,608</b>	<b>205,925</b>	<b>922,533</b>
Governance costs (see note 5)	47,400	20,060	67,460
<b>Total resources expended</b>	<b>764,008</b>	<b>225,985</b>	<b>989,993</b>

Of the £926,840 expenditure in 2021 (2020: £989,992) £925,516 was charged to unrestricted funds (2020: £983,229) and £1,324 to restricted funds (2020: £6,763).

**Notes to the Financial Statements for the year ended 31 August 2021 (continued)**

**5 Analysis of governance and support costs**

Governance costs and other support costs are apportioned to charitable activities undertaken in the year.

	<b>Support costs</b>	<b>Governance costs</b>	<b>Total</b>	<b>Basis of allocation</b>
	<b>£</b>	<b>£</b>	<b>£</b>	
Wages and salaries	36,766	35,350	72,116	Time spent
Employer's social security costs	1,283	3,663	4,946	Time spent
Employer's pension costs	1,188	8,371	9,559	Time spent
Catering	19,419	-	19,419	Support
Advertising	9,941	-	9,941	Support
Printing, postage, stationery and telephone	5,016	-	5,016	Support
Computer costs	10,511	-	10,511	Support
Equipment hire	6,508	-	6,508	Support
Legal costs	-	10,771	10,771	Governance
Audit and accountancy	-	4,680	4,680	Governance
Bank charges	-	625	625	Governance
Loan interest	-	75	75	Governance
Pension scheme charges	-	1,200	1,200	Governance
Other sundry costs	-	-	-	As invoiced
	<b>90,632</b>	<b>64,735</b>	<b>155,367</b>	

Previous year:

	<b>Support costs</b>	<b>Governance costs</b>	<b>Total</b>	<b>Basis of allocation</b>
	<b>£</b>	<b>£</b>	<b>£</b>	
Wages and salaries	35,399	35,350	70,749	Time spent
Employer's social security costs	915	3,679	4,594	Time spent
Employer's pension costs	2,229	8,371	10,600	Time spent
Catering	17,998	-	17,998	Support
Advertising	9,535	-	9,535	Support
Printing, postage, stationery and telephone	6,274	-	6,274	Support
Computer costs	13,805	-	13,805	Support
Equipment hire	4,072	-	4,072	Support
Legal costs	-	13,070	13,070	Governance
Audit and accountancy	-	4,587	4,587	Governance
Bank charges	-	877	877	Governance
Loan interest	-	309	309	Governance
Pension scheme charges	-	1,217	1,217	Governance
Other sundry costs	-	-	-	As invoiced
	<b>90,227</b>	<b>67,460</b>	<b>157,687</b>	

**Notes to the Financial Statements for the year ended 31 August 2021 (continued)**

**6 Net income/(expenditure) for the year**

Net income/(expenditure) for the year is stated after charging:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Operating leases – equipment	7,829	7,150
Loan interest payable	75	308
Auditor's remuneration	4,680	4,560
Depreciation - on owned assets	8,895	8,992

**7 Taxation**

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

**8 Staff costs and numbers**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	595,433	616,958
Employer's social security costs	34,676	45,601
Employer's pension costs	86,126	101,448
	<b>716,235</b>	<b>764,007</b>

Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

One employee received emoluments in excess of £60,000 (2020: none). The total of employee benefits received by key management personnel of the School was £108,050 (2020: £108,164).

The governors did not receive any remuneration or receive any other benefits from employment with the School in the year (2020: £nil) neither were they reimbursed expenses for their services to the School in the year (2020: £nil).

No governor received payment for professional or other services supplied to School (2020: £nil).

The average number of employees during the year, calculated on a full-time equivalent basis was:

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Teaching (including Teaching Assistants)	16	16
Administration	4	4
Catering	2	2
	<b>22</b>	<b>22</b>

The average number of staff, calculated on a headcount basis, in the year was 40 (2020: 42)

**Notes to the Financial Statements for the year ended 31 August 2021 (continued)**

**9 Pension costs**

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff.

The pension charge for the year includes contributions payable to TPS of £80,833 (2020: £88,893).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2014.

Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme revaluations undertaken by the Government Actuary Department. The latest valuation report in respect of the TPS was prepared at 31 March 2016 and was published in March 2020. This report confirmed that the employer contribution rate for the TPS increased to 23.6% from September 2020, and therefore that rate took effect in the year under review.

The school also participates in defined contribution Group Pension Schemes administered by AVIVA, employees are given the option of becoming members of a scheme.

Contributions to these schemes are expensed in the year in which they are paid. The pension contribution for the year, including employees' and employers' contributions payable to the schemes, totals £19,585 (2020: £20,418).

At 31 August 2021 the School had contributions of £8,947 (2020: £9,073) outstanding in respect of defined contribution pension schemes.

**Notes to the Financial Statements for the year ended 31 August 2021 (continued)**

**10 Tangible fixed assets**

	Freehold land and buildings £	Furniture and equipment £	Total £
<b>Cost:</b>			
At 1 September 2020	1,411,592	326,962	1,738,554
Additions	-	-	-
At 31 August 2021	1,411,592	326,962	1,738,554
<b>Depreciation:</b>			
At 1 September 2020	150,247	314,812	465,059
Charge for year	3,573	5,322	8,895
At 31 August 2021	153,820	320,134	473,954
<b>Net book value:</b>			
At 31 August 2021	1,257,772	6,828	1,264,600
At 1 September 2020	1,265,015	10,914	1,273,495
			<b>£</b>
Freehold land and buildings:			
Purchases and additions at historical cost			1,137,771
Revaluation			273,821
Deemed cost as at date of transition to Charities SORP (FRS 102)			1,411,592

All the assets included above are all used for direct charitable purposes.

**11 Debtors**

	2021 £	2020 £
School fee debtors	16,799	6,996
Prepayments and accrued income	12,812	16,221
	29,611	23,217

**12 Creditors: amounts falling due within one year**

	2021 £	2020 £
Bank loan	-	7,360
Trade creditors	5,910	8,517
Deposits paid in advance	34,500	26,750
Accruals	18,458	16,648
Deferred income – fees received in advance	133,618	110,585
Other taxes and social security	11,209	10,561
	203,695	180,421

**Notes to the Financial Statements for the year ended 31 August 2021 (continued)****13 Creditors: amounts falling due after one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank loan	-	-

**14 Bank loans (secured)**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year	-	7,360
Amounts falling due after one year		
Between one and two years	-	-
Between two and five years	-	-
In five years or more	-	-
	-	7,360
	-	7,360

The bank loan was secured by a legal charge over the freehold interest in land and buildings at Fairfield PNEU School. Interest on the bank loan was charged at 2.85% variable.

For the previous year, the total amounts due in respect of bank loans represented the financial liabilities that are debt instruments measured at amortised cost.

**15 Operating lease commitments**

The following operating lease payments are committed to be paid:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Equipment leases payable:		
Within one year	7,829	7,829
Between one and five years	-	-
	7,829	7,829



## Notes to the Financial Statements for the year ended 31 August 2021 (continued)

## 16 Analysis of movement in funds

	At 1 September 2020 £	Income £	Expenditure £	Investment gains £	Transfers £	At 31 August 2021 £
<b>Unrestricted funds:</b>						
General Fund	1,107,235	983,920	(925,516)	-	-	1,165,639
Property Revaluation Reserve	273,821	-	-	-	-	273,821
<b>Total unrestricted funds</b>	<b>1,381,056</b>	<b>983,920</b>	<b>(925,516)</b>	<b>-</b>	<b>-</b>	<b>1,439,460</b>
<b>Restricted funds:</b>						
Parents' Fund	4,200	-	-	-	-	4,200
New Building Fund	10,824	-	-	-	-	10,824
PTA Fund	4,224	2,734	(1,324)	-	-	5,634
<b>Total restricted funds</b>	<b>19,248</b>	<b>2,734</b>	<b>(1,324)</b>	<b>-</b>	<b>-</b>	<b>20,658</b>
<b>Total funds</b>	<b>1,400,304</b>	<b>986,654</b>	<b>(926,840)</b>	<b>-</b>	<b>-</b>	<b>1,460,118</b>
<u>Previous year:</u>	<u>At 1 September 2019 £</u>	<u>Income £</u>	<u>Expenditure £</u>	<u>Investment gains £</u>	<u>Transfers £</u>	<u>At 31 August 2020 £</u>
<b>Unrestricted funds:</b>						
General Fund	1,182,604	907,860	(983,229)	-	-	1,107,235
Property Revaluation Reserve	273,821	-	-	-	-	273,821
<b>Total unrestricted funds</b>	<b>1,456,425</b>	<b>907,860</b>	<b>(983,229)</b>	<b>-</b>	<b>-</b>	<b>1,381,056</b>
<b>Restricted funds:</b>						
Parents' Fund	4,200	-	-	-	-	4,200
New Building Fund	10,824	-	-	-	-	10,824
PTA Fund	8,273	2,714	(6,763)	-	-	4,224
<b>Total restricted funds</b>	<b>23,297</b>	<b>2,714</b>	<b>(6,763)</b>	<b>-</b>	<b>-</b>	<b>19,248</b>
<b>Total funds</b>	<b>1,479,722</b>	<b>910,574</b>	<b>(989,992)</b>	<b>-</b>	<b>-</b>	<b>1,400,304</b>

**Description, nature and purpose of funds:**

The **General Fund** represents the free reserves of the School after allowing for all designated funds.

The **Property Revaluation Reserve** represents the historic revaluation gains arising on previous revaluations undertaken on freehold land and buildings owned by the School.

The **Parents' Fund** represents donations from the Parents' Association for the purpose of contributing to certain expenditure and for the purchase of specified items of capital equipment. Prior to 2020 the Parents' and Teachers' Association was de-registered as a charity and its assets and affairs brought under the control of the School. The **PTA Fund** represents the related income and expenditure.

The **New Building Fund** represents donations for this purpose from parents, past parents and pupils, and other well wishers.

When amounts held in restricted funds have been expended in accordance with the terms on which the funds were received, the restriction on the use of these funds is considered to have been discharged. Appropriate transfers are made from the restricted funds to the General Fund and relevant assets acquired are held in the General Fund.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

17 Analysis of net assets between funds

	Tangible fixed assets £	Net current assets £	Long term liabilities £	At 31 August 2021 £
General Fund	990,779	174,860	-	1,165,639
Property Revaluation Reserve	273,821	-	-	273,821
<b>Total unrestricted funds</b>	1,264,600	174,860	-	1,439,460
<b>Restricted funds:</b>				
Parents' Fund	-	4,200	-	4,200
New Building Fund	-	10,824	-	10,824
PTA Fund	-	5,634	-	5,634
<b>Total restricted funds</b>	-	20,658	-	20,658
<b>Total funds</b>	1,264,600	195,518	-	1,460,118

Previous year:

	Tangible fixed assets £	Net current assets £	Long term liabilities £	At 31 August 2020 £
General Fund	999,674	107,561	-	1,107,235
Property Revaluation Reserve	273,821	-	-	273,821
<b>Total unrestricted funds</b>	1,273,495	107,561	(7,358)	1,381,056
<b>Restricted funds:</b>				
Parents' Fund	-	4,200	-	4,200
New Building Fund	-	10,824	-	10,824
	-	4,224	-	4,224
<b>Total restricted funds</b>	-	19,248	-	19,248
<b>Total funds</b>	1,273,495	126,809	(7,358)	1,400,304

18 Related Party Transactions

Other than the education of children of Governors (see Report of The Trustees for detail), there have been no related party transactions in the year which require disclosure.