

# THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED

England & Wales · Charity number 310279

## Details

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Status	Registered
Legal form	Charitable company
Company number	<a href="#">01072074</a>
Registered	1972-12-06
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	The Downs School Charlton Drive Wraxall Bristol BS48 1PF
Phone	01275852008
Email	<a href="mailto:office@thedownsschool.co.uk">office@thedownsschool.co.uk</a>
Website	<a href="http://www.thedownsschool.co.uk">www.thedownsschool.co.uk</a>

## Activities

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**Objects:** TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF EDUCATION AND IN CONNECTION THEREWITH TO CONDUCT, CARRY ON, ACQUIRE AND DEVELOP IN THE UNITED KINGDOM ANY BOARDING OR DAY SCHOOL OR SCHOOLS FOR THE EDUCATION OF EITHER SEX OR BOTH SEXES.

**Activities:** For the advancement of education of boys and girls aged 4 to 13

## Classification

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- **How:** Other Charitable Activities
- **What:** Education/training
- **Who:** Children/young People

## Geography

- North Somerset

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£5,665,940	£5,454,806	£4,424,397	88
2023-08-31	£5,239,478	£5,129,447	£4,213,263	85
2022-08-31	£4,777,225	£4,496,306	£4,103,232	106
2021-08-31	£4,134,917	£3,810,636	£3,822,313	99
2020-08-31	£4,130,670	£3,905,341	£3,498,032	72

## Trustees

Name	Role	Appointed
<b>JASON COLLARD</b>	Chair	
Andrew Sheridan		2024-06-22
Carl Tuttiett		2020-06-20
Christina Conner		2025-09-04
Fazila Collins		2024-03-12
James Alistair Isaacs		2016-06-20
Joanne Oliver		2022-09-01
Jonathan Vaughan Gill		2023-10-04
Paul Matthews		2021-07-26
<b>RACHEL THORNTON</b>		
Thomas Lloyd-Jones		2018-05-02

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**

England & Wales - Charity number 310279

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# Accounts

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Registered number: 01072074  
Charity number: 310279

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2024**

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

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**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2024**

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**Governors** Mr C.R.G Biggin (resigned 26 February 2024)  
Mr J.M. Collard, Chair  
Ms F.B.A. Collins (appointed 12 March 2024)  
Mr J.V. Gill (appointed 4 October 2023)  
Mr J.A. Isaacs  
Mr T.P. Lloyd-Jones  
Mrs H. Mack  
Mr T.P. Matthews  
Mr B.J. Northover (resigned 12 April 2024)  
Mr T. O'Sullivan  
Ms J. Oliver  
Mr N. Pursall  
Mr A.M. Sheridan (appointed 22 June 2024)  
Dr R.S. Thomson  
Mrs R.E. Thornton  
Mr C.N.I. Tuttiert

**Company registered number** 01072074

**Charity registered number** 310279

**Registered office** The Downs School  
Charlton House  
Wraxall  
Bristol  
BS48 1PF

**Company secretary** Mr. J. Barclay

**Headteacher** Mrs D. J. Isaachsen

**Independent auditors** Bishop Fleming LLP  
Chartered Accountants  
10 Temple Back  
Bristol  
BS1 6FL

**Bankers** Barclays Bank plc  
4th Floor, Bridgewater House  
Counterslip  
Finzels Reach  
Bristol  
BS1 6BX

**Solicitors** Veale Wasbrough Vizards LLP  
Narrow Quay House  
Narrow Quay  
Bristol  
BS1 4QA

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2024**

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The Governors present their annual report together with the audited financial statements of the Company for the year 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a Governors' report and a Directors' report under company law. The Governors confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 01 January 2019).

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

The Company is governed by its Memorandum and Articles of Association, last amended on 11 October 2013.

**Governing Body**

Governors are elected in accordance with the Company's Articles of Association and generally serve for a term of three years whereupon they become eligible for re-election. The Chair is appointed by the Board of Governors and serves for five years.

The Board acknowledges the need to recruit new members from time to time who can bring a broad range of professional knowledge and skill appropriate for effective governance. The Governors' Development Committee advises the Board on these needs, and identifies potential future members. Governors are recruited from the local business community, the School's own community and the region's educational establishments. Their membership is proposed and considered at Board meetings. Once appointed, they attend a formal induction at the School.

All Governors give freely of their time and no remuneration or expenses were paid in this year.

**Organisational Management**

The Board of Governors meet formally at least three times per annum, that is at least once in each academic term. A number of Committees are formed from the Governing Body and key management personnel. These Committees support the aim of monitoring the School's performance and activities against its objectives and determining its policies as set out in its Scheme of Governance. The majority of Committees met at least once in each academic term and provided a full Committee report to the Board.

**Finance Committee**

Mr T. P. Lloyd-Jones (Chair)  
Mr J. Barclay  
Mr C.R.G. Biggin (resigned 26 February 2024)  
Mr J. M. Collard  
Mr J. Gill (appointed 04 October 2023)  
Mrs D. Isaachsen  
Mrs H. Mack  
Mr A. M. Sheridan (appointed 22 June 2024)  
Mrs R.E. Thornton  
Mr C.N.I. Tuttiett

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2024**

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Bursary Committee	Mr T.P. Lloyd-Jones (Chair) Mr J. Barclay Mrs D. Isaachsen Mrs H. Mack Mr A. M. Sheridan (appointed 22 June 2024) Mrs R.E. Thornton
Strategy Committee	Mr P. Matthews (Chair) Mr J. Barclay Mr J.M. Collard Mrs D. Isaachsen Mr J.A. Isaacs Mr B.J. Northover (resigned 12 March 2024) Ms J. Oliver Mr A. M. Sheridan (appointed 22 June 2024) Mr C.N.I. Tuttiett
Nursery Committee	Mr J. M. Collard (Chair to 08 January 2024; Mr M.A. Newman thereafter) Mr J. Barclay Mrs D. Isaachsen Mr M.A. Newman [Independent Director] (Chair from 09 January 2024) Dr R.S. Thomson Mrs R. E. Thornton
Remuneration Committee	Mrs R.E. Thornton (Chair) Mr J. Barclay Mr J. M. Collard Mrs D. Isaachsen Mr P. Matthews
Education Committee	Mr T. O'Sullivan (Chair) Mrs D. Isaachsen Mr N. Pursall
Risk and Regulatory Committee (incorporating Health & Safety)	Ms J. Oliver (Chair) Mr J. Barclay Mrs D. Isaachsen Mr N. Pursall Dr. R.S. Thomson
Governors' Development Committee	Mr J.A. Isaacs (Chair) Mr J.M. Collard Mrs D. Isaachsen Mr B.J. Northover (resigned 12 March 2024)
Downs School Association Committee	Mrs. F. Collins (Chair) Mrs E. Ellis (Secretary) Mrs C. Johnson (Treasurer)

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2024**

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The day-to-day running of the School is delegated to the Headteacher and the Bursar, as key management personnel, via the Scheme of Governance. They are supported by other teaching members of the Senior Leadership Team being the Deputy Head Pastoral and Deputy Head Academic.

The remuneration of key management personnel is set by the Board, with the policy objective of ensuring that they are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the Company's success. Delivery of the Company's charitable vision and purpose is primarily dependent on the key management personnel and staff costs are the largest single element of our charitable expenditure.

**Principal Risks and Uncertainties**

The Board, supported by the Strategy and Finance Committees, reviews the School's current and planned future strategic activities in light of any major risks arising from time to time.

The School has a Risk Register where significant risks are monitored and updated by the full Board and lower risks are delegated to appropriate Committees for consideration. Selected Committees also monitor, update and evaluate key policies and their implementation in order to effectively manage risk. These Committees report their findings to the Risk and Regulatory Committee which reports to the Board.

Risks are also mitigated by maintaining effective internal controls in all compliance and legislative matters, through the regular monitoring of these controls and insurance cover where appropriate.

The Board considers that the following factors present the most significant risks to the School.

**IMPLEMENTATION OF VAT ON SCHOOL FEES**

The Board considers that the primary risk to the School at present is the planned imposition of VAT on independent school fees from 2025.

**LOSS OF TAX BENEFITS OF CHARITABLE STATUS**

The Board is considering the impact of the risk of increased costs outside the School's control including the anticipated loss of business rates relief to some registered charities from April 2025.

**CUSTOMER AFFORDABILITY**

Noting the prevailing economic situation and the risk of VAT on school fees, the Board anticipates that some existing parents may struggle to continue to afford School fees. This may also increase caution in prospective parents considering an independent education and demand for places and therefore pupil numbers may be affected in the short to medium term. Applications for means-tested bursary support may increase, both for existing and prospective parents, not all of which can be supported by existing funds.

**COST PRESSURES**

Continuing cost increases create risks to the cost base for staff and non-staff costs for the School. The School manages these input cost risks by entering into longer term contracts for some elements. In particular the pressures associated with staffing costs, energy costs, and estate maintenance costs are particularly prevalent.

**OTHER RISKS**

The possible impact on pupil numbers from competition from other schools, particularly for Year 7 & Year 8 pupils, and from wider demographic trends. Loss of key personnel could affect the efficient operation of the School and its financial controls. Continuing strong competition to recruit high quality teaching staff could impact on reputation and perceived quality of teaching. An incident involving harm to a pupil could lead to severe reputational damage.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2024**

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The Governors and Senior Leadership Team have recognized these risks and continue to take the following action:

- Ensure that the School's reserves have been protected.
- Make available short term fee support to existing families where possible and maintain close communication with parents in financial hardship.
- Carefully scrutinize non-essential expenditure to ensure it remains appropriate and value for money.
- Manage carefully the extent of bank-funded debt whilst ensuring on-going investment in the School's facilities.
- Consider future strategies to mitigate the potential vulnerabilities for the School as a small stand-alone independent school, particularly in light of potential government-driven tax and charity law changes.
- Maintain open and clear communication with the parent body.
- Engage actively with Headteachers and Admissions' Teams at Bristol senior schools to build constructive dialogue on available spaces for Year 9 entry.

In the view of the Board, the School has established resources which should ensure that these risks are managed to an acceptable level in its day-to-day operations. In the longer term, strategic planning and management aim to reduce the potential impact of risk factors.

**OBJECTS, PUBLIC BENEFIT AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

**Objects**

The object of the charitable company, in accordance with its Memorandum and Articles of Association, is to promote and provide for the advancement of education for boys and girls.

The main strategic priorities for the School are as follows:

1. Maintain and develop the high teaching and learning standards whilst having the confidence to innovate and the wisdom and foresight to know where we stand in relation to the market and what risks and opportunities the future might hold.
2. Embrace and deliver on our purpose; to prepare young students for their life ahead in all its facets; including academia, the arts & sport and also across the much more fundamental core behavioural characteristics such as resilience, communication, confidence and team work.
3. Continue to provide a sense of community, familiarity and understanding, across all of our students, parents and stakeholders.
4. Safeguard every pupil and member of the School community and ensure that a safe and nurturing environment is always provided.
5. Ensure that our all-round offering from Nursery level through to Year 8 is developmental to the students and compelling to the parent body.
6. Maintain a stable financial model whilst continuing to develop new income streams to support financial stability.
7. Maintain existing and continually improve upon the quality of the estate whilst fully leveraging our assets for the benefit of our students and community at large.
8. Employ a highly motivated and inspirational body of staff to take all pupils to the limits of their potential.
9. Have continuity of talented leadership and a clear succession plan.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2024**

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**Principal activity and income sources**

The Company's principal activity continues to be the provision of a Day School for 4 – 13 year old boys and girls. The principal source of income is therefore from tuition fees and from related educational and extra-curricular activities. Other revenue is derived from the letting of facilities for sport, recreation, private parties and functions, for which the School is continuing to seek increased revenues over time.

The Company's subsidiary, Downs School Enterprises Limited (DSEL), was established in June 2017 and opened its Nursery, 'Bertie's', in January 2018 providing year round day care and Pre-School facilities for children aged 6 months to 4 years. The Nursery continues to trade at a surplus, although cost and income pressures continue, impacting overall profitability. The Nursery continues to be near capacity with waiting lists in some rooms.

Recruitment of pupils from the Nursery to the School's Reception Year remains strong. The DSEL directors continue to review and revise the staffing structure and remuneration through the year, including a clearer career progression strategy, to support staff retention and further staff recruitment. The directors recognise the need to be highly selective in staff recruitment and the business will only grow as excellent staff can be selected to join the team.

**Grant-making and access-widening**

The School provided means-tested bursaries totalling £221,143 and was able to support 28 (2023: 27) pupils over the course of the year through its bursary scheme. Of these pupils, 12 received at least 50% support by way of fee remission. Fee assistance by way of bursaries accounted for 4.7% (2023: 4.6%) of gross tuition fee income.

The bursary policy contributes to a widening of access to the education on offer and the facilities enjoyed. It is important to the School that access is not restricted to those who can afford the fees. Bursaries are made on a means-tested assessment and reviewed annually. Application is available to potential and existing pupils at the School. Financial support up to 100% can be considered and, by exception, beyond this level up to 110% of fees for transformational bursaries.

The School continues to support various organisations to use its sports facilities, grounds and other resources at little or no cost. The charity, Children's Hospice South West (CHSW), is located close to the School. CHSW from time to time uses the School's premises for fundraising events and meetings without charge. The School is aiming to further expand community links going forward.

The house system within the School facilitates charity fund raising days in order for each of the four houses to choose a charity and organise a themed day where the whole School participates. Guest speakers have attended to explain the objects of their charity and the impact on recipients of the funds raised. During the 2023-24 year, pupils and staff raised £5,140 in the year, including for MacMillan, Save the Children, Children's Hospice Southwest and DEKI charities.

GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2024

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**REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR**

The School aims to provide an excellent academic experience with the highest standards of teaching and assessment. This is balanced with a broad curriculum and that embraces equally sport and the Performing Arts.

**Academic**

Pupils joined us in September 2023 in Reception from a variety of different settings. They quickly settled into the school routines and followed the Early Years Foundation Stage (EYFS) framework. Regular Forest School sessions and specialist lessons such as French and dance further enhanced their curriculum.

In the Pre-Prep, children continue to follow an exciting timetable of lessons. Classroom-based teaching is complemented by increasing numbers of specialist lessons as they move through to Year 3. From Year 1 children participate in termly assessments in Maths and English, and the tracking system enables staff to identify trends and areas which can be developed further.

In the Junior section (Years 4 – 6), the children move around the School to an increasing number of different locations. A highlight for Year 4 is science lessons in the labs. Year 5 start to learn Spanish as a second modern foreign language. Year 5 and beyond continue to be taught all of their lessons by subject specialists and move around the School for all of their lessons. Year 6 sit 11+ style exams in the Spring Term before commencing the Common Entrance syllabus.

Pupils are prepared for the Common Entrance examinations at the end of Year 8. Many pupils will sit external examinations for their chosen senior school. This year our pupils achieved strong results and gained access to a range of senior schools, including Eton and Marlborough. Many pupils were awarded scholarships in a variety of areas. This year's leavers achieved the following scholarships:

Academic	5 scholarships
Sport	3 scholarships
Drama	1 scholarship
Art	1 scholarship
STEM	1 scholarship
DT	1 scholarship

**Performing Arts**

As well as the provision of Music, Drama and Dance, all pupils at the School also receive a weekly session in the Performing Arts. For the Pre-Prep this is in the form of 30 minute sessions, sessions for the Prep School are 40 minutes. The sessions are designed to expand the children's knowledge of the Performing Arts and are also used as valuable rehearsal time for those year groups involved in a production as well as for house events such as house music and house dance. They are also used to rehearse in the lead up to Celebration Day.

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2024**

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During the Autumn Term 2023, the Prep School focused on the creative aspects of a production based on the Year 5 production of 'The Jungle Book'. The finished projects formed part of an exhibition which was created for the night of the production. Year 4 designed and created dioramas for scenes they investigated through the text. Year 6 enjoyed designing theatrical make up for the animals within the play which they then created on their own faces. Years 7 and 8 created compositions for the opening scene of 'The Jungle Book' film using garage band. The latter part of the term was spent rehearsing for the house dance competition under the direction of the house leaders supported by Miss Susan.

The Pre-Prep used their sessions to prepare for the Harvest Festival, Christingle and the Nativity.

In the Spring Term 2024, the Prep School explored what it takes to be a quality audience, investigating audience etiquette and how modern technology has affected audience behaviour in the modern day. The Year Groups then split into the following projects based around Battle Of The Bands:

- Years 7/8 created documentary films investigating styles of documentary, camera angles and interview techniques.
- Year 6 created social media content advertising the event and focusing on the various bands in preparation for the competition.
- Year 5 designed and created the content for posters and the final programme.

The term was also used to rehearse for the House Music Competition in which each house presented a song.

The Pre Prep worked on their Spring Showcase which included material linked to their class topics of The Romans, Egyptians, Under The Sea, and All About Me. The children also worked on songs and improvisations around the theme of looking after our environment as part of our Green Flag School initiative.

In the Summer Term 2024, the whole School worked towards Celebration Day. The sessions were used by each House to create a concert in which every child performed, showcasing talents within the Performing Arts.

### **Music**

Our aim in the Music Department is to offer all pupils the opportunity to gain enjoyment from this broad subject at as many different levels as possible. Music is very much valued at the School. It plays an important part in our School life. In fact, the sound of singing and instrumental playing echoes across the School every day in one form or another.

The learning of an instrument and the fun of making music with other children can become a joy for life. It is therefore encouraging that a large number of our pupils take advantage of the expert tuition offered by our experienced team of ten instrumental and singing teachers who give individual or joint lessons on a wide range of instruments.

For the academic year 2023 - 2024, approximately 62% of Years 1 – 3 pupils had musical tuition on either an instrument or voice and approximately 69% of pupils in Years 4 – 8. Lessons usually take place during the normal School day. These figures obviously fluctuate throughout the year as new pupils sign up or unfortunately cease tuition.

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2024**

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We are proud of our 100% pass rates for our ABRSM and Trinity Music Examinations. During the last academic year, we achieved the following results:

- Prep Test examinations - 11 pupils successful.
- Lower Grades 1 -3 as follows:
  - Pass – 22 pupils
  - Merit – 18 pupils
  - Distinction – 8 pupils

These results have also included several higher-grade successes.

- Grade 4 – 2 pupils
- Grade 5 – 3 pupils
- Grade 7 – 1 pupil

In addition, we have one Year 8 pupil who has achieved their Grade 5 music theory and another pupil working towards her Grade 5 music theory examination.

The most advanced musicians receive every opportunity to develop their playing and singing. Pupils who show great musical potential and ability are directed to apply for music scholarships. These pupils must show exceptional ability on their first study instrument and also acquire reasonable performance skills on a second or possibly third instrument.

We have spacious teaching facilities, which include three music pods and the Coachman's Cottage. In addition, we also have a theatre and the Charlton Room that both provide excellent venues for our regular concerts, recitals and performances.

Every child sings in a choir, enjoying the experience of singing and performing. Our main choir – The Downs Singers - is an auditioned choir and performs at many prestigious events throughout the School diary, most notably the Bristol Cathedral Carol Service and a Remembrance Concert. Throughout each term, all children have many performing opportunities.

All children taking instrumental lessons are encouraged (where appropriate) to join at least one music ensemble. Currently these are The Downs Singers, Year Group Choirs, School Orchestra, Soul Band, Music Theory Groups, and Rock Bands. We also hold an annual Music Festival in collaboration with Badminton School with classes for pianists and singers.

The Director of Music teaches music to every child from Reception to Year 8. Our syllabus follows the requirements of the National Curriculum: listening and appraising, composing and performing.

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2024**

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**Speech and Drama**

The Drama department enjoyed another exciting, busy and creative year with every pupil from Reception to Year 1 participating in at least one production. A total of nine productions were enjoyed by both pupils and parents:

- Reception and Year 1 "The Twinkly Nativity"
- Year 2 "The Not So Creepy Crawlies"
- Year 3 – "Letters From The Trenches"
- Year 4 - "Porridge"
- Year 5 – "The Jungle Book"
- Year 6 – "A Midsummer Night's Dream"
- Year 7 – "The Wolves Of Willoughby Chase"
- Year 8 – End of School Revue
- Senior Production – "Bugsy Malone"

The productions were directed by class teachers, supported by both the Head of Performing Arts and Head of Drama. Each production received huge support from parents, who helped create incredible costumes, and the Maintenance Team who were a superb help with set design and construction. Pupils from different Year Groups provided audiences for dress rehearsals which enabled each pupil to experience where their own journey within the Arts at The Downs could lead them in the future.

Throughout this year we looked to expand the children's awareness of both physicality and creativity within productions. Throughout the Prep School productions we explored ways to enhance the creative experience, extending the use of technology to include projections, recorded text and soundscapes. The children also choreographed pieces of physical theatre to create a physical set as seen in the Year 7 production of "Willoughby Chase." A stand out event of the year was the Year 6 production of "A Midsummer Night's Dream" which was staged in the woods. The production was presented in the round and made the most of the landscape. This presented new challenges for the pupils in terms of performance and also stretched the team creatively. Helen Hunter and Jamie Capewell brought the woods to life with a beautiful set created by the pupils and imaginative lighting. It was a magical evening.

As well as taking part in productions, Years 6-8 now have regular drama lessons as part of their English curriculum, exploring different texts, themes and ideas to enhance their learning.

This academic year the total number of Speech and Drama students from Reception to Year 8 was 104. The School was represented at both The Nailsea Festival and the Bristol Festival. Pupils from Years 2 to 8 competed in acting, mime, poetry and sight reading classes. The School won or were placed in all the classes entered.

Pupils once again entered Vanguard Speech and Drama exams in the Summer Term 2024 and once again gained a 100% pass rate with several pupils achieving honours. We were also thrilled that one pupil gained a drama scholarship to Clifton College.

Theatre Trips and professional performances in School:

- Bristol Old Vic Theatre School performed for the Pre Prep in the School theatre – "Nativity"
- Year 4 went to The Redgrave Theatre to watch BOVTS's performance of "Into The Woods"
- Year 8 visited The Bristol Hippodrome to watch BLOCS production of "A Christmas Carol," in which a pupil from The Downs was performing.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2024**

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**Dance**

The Dance Department has continued to break records through the 2023-24 year. There have been 3 more lessons on offer than the previous year, and 43 more sign-ups. There have been more boys signed up for dance lessons than previously, and we also had a record number of exam entries. We were able to employ a Dance Assistant for more hours over two days instead of one, which has been a great addition to the Department.

Memorable events of the year include a Breaking Workshop for the Prep School. This was a collaboration with the Sports Department, as part of Sports Week. We invited two professional Break Dancers to lead this event, reminding us that some styles of dance are classified as a sport. 'Breaking' was introduced to the Olympics in 2024 and the Dance Department recruited more sign-ups for Boys' Dance because of this workshop event.

The Dance Show showcased 36 dances over two performances. There were 134 pupils involved and too many performances to count. The feedback from parents was overwhelmingly positive.

Figures and performance opportunities are shown below:

- 310 total number per week attending dance lessons (this includes Curriculum Dance)
- 33 private lessons took place every week. These include Ballet, Tap, Jazz, Boys' Dance and Girls' Hip Hop
- 4 one-to-one lessons
- 6 half-hour Curriculum Dance lessons for Rec, Year 1 and Year 2 were taught each week
- 135 individual pupils were signed up for private dance lessons
- 210 sign-ups for private lessons (some pupils do more than one class per week)
- 40 boys attended a weekly private dance lesson
- 53 new sign-ups in September 2023

Dance Exams – Record number of exam entries 103 (2 poorly on the day)

- Honours Star - 31
- Honours - 58
- Highly Commended - 12
- Commended - 0
- Pass - 0
- Fail - 0

Dance Performance Opportunities include:

- Parent Observation Week - Parents were invited to watch a whole dance lesson.
- Bussy Malone – Senior Play
- Nativity
- Pre-Prep Christmas Concert
- House Dance - All pupils in Prep School took part in this event.
- Prep Christmas Concert and Summer Concert
- Dance Exams
- Grandparents' Day
- Dance Shows - All pupils who attended private lessons were involved in this event
- Celebration Day

GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2024

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### Sport

The Sports Department has had a super year with a pleasing number of children competing at the athletics and swimming national finals and some strong team performances for the U9 girls, U11 girls' cricket, U11 boys' hockey and U12 boys' hockey teams. Our key highlights were Ivy becoming the National U11 Girls' Butterfly Champion, the U12 and U11 boys were county hockey finalists, U9 Girls won the Severnside Netball Trophy as well as several Bristol Schools tournaments and a significant number of our Year 8 pupils being selected for the Avon JAC hockey performance centres over the summer (11). Cross-country has continued to grow with four pupils qualifying through to the county competition and two representing the county. Five pupils qualified for the National Athletics Finals for 7 events.

The whole School enjoyed an 'Olympics themed' Sports Week in the Spring term 2024 trying new Olympic sports for 2024 such as squash, lacrosse, breaking and being introduced to a Maltese Olympic athlete who gave a super insight into the challenges of becoming an Olympian. A significant number of our pupils formed teams for the Triathlon Fundraiser with one team enjoying first place in the event.

### **Representational Honours**

#### **Hockey**

- West Panthers Cup Squad – 2 pupils
- U14 Avon Junior Academy – 11 pupils
- U14 Avon Junior Development Centre – 12 pupils

#### **Cricket**

- Wales U13 Girls – 1 pupil
- Somerset County U11 Girls – 3 pupils
- Somerset County U10 Boys – 1 pupil

#### **Sports Scholarships**

- Blundell's – 1 pupil
- Clifton College – 1 pupil
- Badminton – 1 pupil

#### **National Competitions**

- IAPS National Swimming Finals - U11 Girls' Butterfly Champion; U11/10 Girls' small schools finalists (9th)
- County Cross-Country team – 2 pupils
- Bristol Schools Cross-Country team – 4 pupils
- National Prep Schools Athletics - 5 pupils in 7 events

#### **Regional Competitions**

- U12 Boys' Hockey County Champions
- U11 Boys' Hockey County Finalists
- U11 Girls' Cricket – IAPS Regional Girls 3<sup>rd</sup> place

**Games played:** 134 cricket games, 99 Girls' hockey, 96 Boys' hockey, 102 Girls' netball, 117 Boys' rugby = 548 games played this year.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2024**

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**Pastoral**

The School offers proactive support to all Year Groups and staff with pastoral matters and wellbeing by providing a safe and happy place in which to work and learn. We offer focused Pastoral Care through our dedicated tutor teams, with three staff allocated per Prep Year Group (two classes per year) to enable greater focus and attention through small group sessions and 1-2-1 time. Assemblies promote the narrative around wellbeing and mental health, together with guest speakers and our PSHE curriculum. Our values of Explore, Express, Excel, remain central to our ethos, enabling pupils and staff to be the very best version of themselves.

**Staffing:**

- A Wellbeing Coordinator is available to provide vital 1-2-1 and group work, for pupils and staff.
- Enhanced welfare and engagement opportunities for staff through the offer of breakfast on a Monday & Friday and perks including term-time staff swimming sessions.

**Addressing pastoral matters:**

- We take a proactive and flexible approach to tackling topical and current pastoral issues, by adjusting assemblies, undertaking Year Group interventions or allocating additional PSHE time to allow for deeper understanding of topics raised.
- Pupils and staff have the opportunity to raise pastoral concerns through annual questionnaires.

**Fundraising performance**

Donations and gifts in the year amounted to £9,293 (2023: £10,669).

Parents' regular termly donations to the Downs School Association ("DSA") amounted to £9,293, where the distribution of these funds is determined by an elected Committee that comprises parents and some staff and who report to the School's main Board of Governors. Other donations amounted to £NIL for specific areas.

**Downs School Association (DSA)**

The DSA raise funds through events in which parents, pupils and staff participate. The team ran multiple successful fundraisers, with the Pre Prep Halloween Party and Fireworks Night being the most successful amongst the children. Parents attended wreath-making workshops, tea towels were very much in demand, as were the tickets to the sold-out Summer Ball which undoubtedly strengthened the bond within our School community. The support and turn out at the Fathers' Day cricket event is always strong, and the second-hand uniform shop continues to rely on parents' generous donations. DSA funds this year have helped fund Arts Week, Sports Week, restocked the Pre-Prep play equipment, and contributed to the redevelopment of the Pre-Prep outdoor area.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2024**

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**FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The operating surplus for the year amounted to £198,041 (2023: £93,853) for the School against an average number of pupils of 272 (2023: 269). The ongoing working capital requirements of the Nursery, operated by the subsidiary, Downs School Enterprises Limited, generated a profit for the subsidiary of £13,093 (2023: £16,178).

Consolidated funds of the School and its subsidiary have therefore increased by £211,134 to £4,424,397 (2023: £4,213,263).

**RESERVES POLICY**

Total reserves are £4,424,397 (2023: £4,213,263), of which £4,730,718 (2023: £4,722,879) comprise fixed assets. This leaves £714,912 (2023: £723,504) as free reserves after taking into account loans secured on the fixed assets of the charity of £1,021,233 (2023: £1,233,138). This follows the early repayment of one outstanding loan to Barclays Bank. Restricted funds amount to £495 (2023: £1,498).

The level of reserves is considered sufficient for the immediate needs of the Group. The policy remains to maintain free reserves to continue the high standard of educational services currently provided including a regular programme of renewal of resources including IT, and to balance this with future capital expenditure requirements and the demands of maintaining the Group's extensive grounds and historic buildings.

**GOING CONCERN**

Having reviewed the funding facilities available to the School together with the expected ongoing 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 and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 15.

**Future Plans and Reserves**

The Board maintains its intent to continually reinvest in the infrastructure of the School to secure its future. The retention of good operating surpluses in recent years has provided cash reserves that have enabled the Board to invest and diversify and yet still hold significant, contingent funds for any unforeseen requirements including changes in demand for working capital. This includes short-term support for parents with the prospect of the introduction of VAT onto school fees.

Focus in the forthcoming year is to continue to maintain the school community and invest in the children's needs, as well as managing the implementation of VAT onto school fees. The Board continues to develop the longer-term vision and plan for the School.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2024**

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**STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

The Governors (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Governors' 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 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 Group and the Company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

**DISCLOSURE OF INFORMATION TO AUDITORS**

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

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

**AUDITORS**

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Governors will propose a motion reappointing the auditors at a meeting of the Governors.

Approved by order of the members of the Board of Governors and signed on their behalf by:



**Mr J.M. Collard**

Chair of Governors

Date: 07/12/2024

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**

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**OPINION**

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

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the School's affairs as at 31 August 2024 and of the Group's 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 and the Charities Act 2011.

**BASIS FOR OPINION**

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

**CONCLUSIONS RELATING TO GOING CONCERN**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the School'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 Governors with respect to going concern are described in the relevant sections of this report.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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**OTHER INFORMATION**

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

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

- the School has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the School's 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.

**RESPONSIBILITIES OF GOVERNORS**

As explained more fully in the Governors' responsibilities statement, the Governors (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 Governors 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 Group's and the School'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 Group or the School or to cease operations, or have no realistic alternative but to do so.

### **AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

- We have considered the nature of the sector, control environment and financial performance of the School;
- We have considered the results of enquiries with management and Governors, including the committees charged with governance over the School's finance and control, in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have considered any matters we identified having obtained and reviewed the School's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks or fraud or non-compliance with laws and regulations;
- We have considered the matters discussed among the audit engagement team and involving relevant internal independent schools specialists regarding how and where fraud might occur in the financial statements and any potential indications for fraud;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation;

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the School operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019 and FRS 102. In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the School's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- 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;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing committee meeting minutes;
- Enquiring of Governors and management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue with a particular focus around 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

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

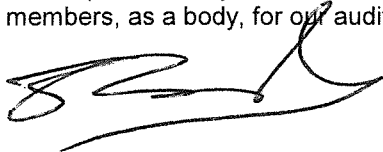
We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve 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 School'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 School's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the School and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Joseph Scaife FCA DChA (Senior statutory auditor)**

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date: 19/12/2024

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>					
Donations and legacies	4	-	9,293	9,293	10,669
Charitable activities		-	4,625,509	4,625,509	4,339,808
Other trading activities	6	-	992,742	992,742	877,138
Investments	7	-	38,396	38,396	11,863
<b>Total income</b>		-	5,665,940	5,665,940	5,239,478
<b>Expenditure on:</b>					
Raising funds	8	-	821,613	821,613	728,173
Charitable activities		1,003	4,632,190	4,633,193	4,401,274
<b>Total expenditure</b>		1,003	5,453,803	5,454,806	5,129,447
<b>Net movement in funds</b>		(1,003)	212,137	211,134	110,031
<b>Reconciliation of funds:</b>					
Total funds brought forward		1,498	4,211,765	4,213,263	4,103,232
Net movement in funds		(1,003)	212,137	211,134	110,031
<b>Total funds carried forward</b>		495	4,423,902	4,424,397	4,213,263

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

The notes on pages 24 to 47 form part of these financial statements.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:01072074**

**CONSOLIDATED BALANCE SHEET  
AS AT 31 AUGUST 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	12	4,730,718	4,722,897
		<u>4,730,718</u>	<u>4,722,897</u>
<b>Current assets</b>			
Stocks	14	32,199	30,449
Debtors	15	298,631	199,177
Cash at bank and in hand		1,948,882	1,579,105
		<u>2,279,712</u>	<u>1,808,731</u>
Creditors: amounts falling due within one year	16	(1,504,659)	(1,274,021)
<b>Net current assets</b>		<u>775,053</u>	<u>534,710</u>
<b>Total assets less current liabilities</b>		<u>5,505,771</u>	<u>5,257,607</u>
Creditors: amounts falling due after more than one year	17	(1,081,374)	(1,044,344)
<b>Total net assets</b>		<u>4,424,397</u>	<u>4,213,263</u>
<b>Charity funds</b>			
Restricted funds	19	495	1,498
Unrestricted funds	19	4,423,902	4,211,765
<b>Total funds</b>		<u>4,424,397</u>	<u>4,213,263</u>

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

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



**Mr J.M. Collard**  
Chair of Governors

Date: 07/12/2024

The notes on pages 24 to 47 form part of these financial statements.

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:01072074

COMPANY STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	12	4,705,920	4,694,516
Investments	13	1	1
		<u>4,705,921</u>	<u>4,694,517</u>
<b>Current assets</b>			
Stocks	14	28,077	26,327
Debtors	15	383,580	332,898
Cash at bank and in hand		1,895,637	1,469,002
		<u>2,307,294</u>	<u>1,828,227</u>
Creditors: amounts falling due within one year	16	(1,462,161)	(1,206,761)
<b>Net current assets</b>		<u>845,133</u>	<u>621,466</u>
<b>Total assets less current liabilities</b>		<u>5,551,054</u>	<u>5,315,983</u>
Creditors: amounts falling due after more than one year	17	(1,081,374)	(1,044,344)
<b>Net assets excluding pension asset</b>		<u>4,469,680</u>	<u>4,271,639</u>
<b>Total net assets</b>		<u><u>4,469,680</u></u>	<u><u>4,271,639</u></u>
<b>Charity funds</b>			
Restricted funds	19	495	1,498
Unrestricted funds	19	4,469,185	4,270,141
<b>Total funds</b>		<u><u>4,469,680</u></u>	<u><u>4,271,639</u></u>

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

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



Mr J.M. Collard  
Chair of Governors

Date: 07/12/2024

The notes on pages 24 to 47 form part of these financial statements.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2024**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net cash generated from operating activities	<b>878,093</b>	523,811
<b>Cash flows from investing activities</b>		
Investment income	<b>38,063</b>	11,196
Purchase of tangible fixed assets	<b>(253,234)</b>	(1,070,443)
<b>Net cash used in investing activities</b>	<b>(215,171)</b>	<b>(1,059,247)</b>
<b>Cash flows from financing activities</b>		
Repayments of borrowing	<b>(211,905)</b>	(131,613)
Repayments of hire purchase loans	<b>(5,380)</b>	(10,440)
Interest paid on borrowings	<b>(75,860)</b>	(42,762)
Cash proceeds from new loan	-	650,000
<b>Net cash (used in)/provided by financing activities</b>	<b>(293,145)</b>	<b>465,185</b>
<b>Change in cash and cash equivalents in the year</b>	<b>369,777</b>	<b>(70,251)</b>
Cash and cash equivalents at the beginning of the year	<b>1,579,105</b>	1,649,356
<b>Cash and cash equivalents at the end of the year</b>	<b>1,948,882</b>	1,579,105

The notes on pages 24 to 47 form part of these financial statements

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

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**1. GENERAL INFORMATION**

The Downs School (Charlton House) Limited is a company limited by guarantee, incorporated in the United Kingdom and registered in England and Wales. The registered office is The Downs School, Charlton House, Wraxall, Bristol, BS48 1PF.

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

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

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

**2.2 COMPANY STATUS**

The Company is a company limited by guarantee. The members of the Company are the Governors named on Page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

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**2. ACCOUNTING POLICIES (continued)**

**2.3 GOING CONCERN**

Having reviewed the cash position of the School together with the expected ongoing 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 and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 15.

The challenging economic conditions indicate that our parents and prospective parents may be facing lower earnings or disposable income after tax from their businesses and employment income. The uncertainty arising in particular from political uncertainty may impact further the local economy. This is likely to lead to reduced demand on grounds of affordability in the medium-term. Pupil recruitment and numbers are strong for the 2024-25 academic year, and fee collections are good.

The School's management have prepared a detailed budget, including cash flow forecasts, for the 2024-25 and 2025-26 academic years, reflecting actual pupil numbers at September 2024. The Governors have reviewed these forecasts and noted the cash flow projections, including the School's ability to manage its costs in the light of any reduction in income. Stress tests have been run on income projections to determine the point at which the School would cease to have unrestricted cash reserves sufficient to maintain its activities.

Having considered these matters, the Governors do not believe there to be any material uncertainty, and they continue to adopt the going concern basis in preparing the financial statements.

**2.4 INCOME**

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

Fees receivable and similar income represent fees from ordinary activities and are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships, and other remissions granted by the School.

**2.5 EXPENDITURE**

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities and Governance costs are costs incurred on the Company's operations, including support costs and costs relating to the governance of the Company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**2. ACCOUNTING POLICIES (continued)**

**2.6 INTEREST RECEIVABLE**

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

**2.7 TAXATION**

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Freehold property	- Over 75 years
Freehold improvements	- Over 50 or 25 years
Motor vehicles	- Over 4 years
Furniture and equipment	- Over 10 years
Computer equipment	- Over 4 to 6 years
Grounds maintenance machinery	- Over 10 years

**2.9 INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

**2.10 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

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**2. ACCOUNTING POLICIES (continued)**

**2.11 DEBTORS**

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

**2.12 CASH AT BANK AND IN HAND**

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

**2.13 LIABILITIES AND PROVISIONS**

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

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

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

**2.14 FINANCIAL INSTRUMENTS**

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

**2.15 FINANCE LEASES AND HIRE PURCHASE**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

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**2. ACCOUNTING POLICIES (continued)**

**2.16 PENSIONS**

The School operates three pension schemes.

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for some of its teaching staff. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The School also operates two defined contribution pension schemes and the pension charge represents the amounts payable by the School to the schemes in respect of the year.

**2.17 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 Group 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 Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

**3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The School has entered into leases for motor vehicles and equipment as a lessor and as a lessee it obtains use of the related assets. The classification of such leases as operating or finance lease requires the School to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

There are no critical accounting estimates.

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

4. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
General Donations	-	-	-	1,700
The Downs School Association	-	9,293	<b>9,293</b>	8,969
	-	9,293	<b>9,293</b>	10,669
TOTAL 2023	1,700	8,969	10,669	

5. INCOME FROM CHARITABLE ACTIVITIES

	2024 £	2023 £
Gross fees receivable	<b>4,738,934</b>	4,292,468
Bursaries and scholarships	<b>(525,190)</b>	(468,849)
Income from rechargeable expenditure	<b>405,065</b>	507,740
Registration fees	<b>6,700</b>	8,449
	<b>4,625,509</b>	4,339,808

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Lettings	36,083	<b>36,083</b>	27,340
Other income	44,451	<b>44,451</b>	17,142
Fundraising income	41,353	<b>41,353</b>	30,262
	121,887	<b>121,887</b>	74,744
TOTAL 2023	74,744	74,744	

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

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6. INCOME FROM OTHER TRADING ACTIVITIES (CONTINUED)

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Nursery income	870,855	<b>870,855</b>	802,394
	<u>870,855</u>	<u>870,855</u>	<u>802,394</u>
TOTAL 2023	802,394	802,394	
	<u>802,394</u>	<u>802,394</u>	

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

7. INVESTMENT INCOME

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Rental income	333	333	667
Bank interest	38,063	38,063	11,196
	<u>38,396</u>	<u>38,396</u>	<u>11,863</u>
TOTAL 2023	<u>11,863</u>	<u>11,863</u>	

8. EXPENDITURE ON RAISING FUNDS

Expenditure on fundraising events

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Fundraising expenditure	34,462	34,462	18,368
	<u>18,368</u>	<u>18,368</u>	
TOTAL 2023	<u>18,368</u>	<u>18,368</u>	

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

8. EXPENDITURE ON RAISING FUNDS (CONTINUED)

Expenditure from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Nursery cost of sales	82,791	<b>82,791</b>	87,619
Nursery administration expenses	96,599	<b>96,599</b>	86,354
Interest payable	3,528	<b>3,528</b>	-
Nursery cost of sales staff costs	504,913	<b>504,913</b>	450,160
Nursery administration staff costs	90,470	<b>90,470</b>	81,486
Nursery depreciation	8,850	<b>8,850</b>	4,186
	<u>787,151</u>	<u><b>787,151</b></u>	<u>709,805</u>
TOTAL 2023	<u>709,805</u>	<u>709,805</u>	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Education	<u>3,171,958</u>	<u>1,461,235</u>	<u><b>4,633,193</b></u>	<u>4,401,274</u>
TOTAL 2023	<u>3,090,635</u>	<u>1,310,639</u>	<u>4,401,274</u>	

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Education 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	2,367,410	<b>2,367,410</b>	2,201,487
Depreciation	70,673	<b>70,673</b>	83,269
Educational supplies	246,947	<b>246,947</b>	357,328
Household and welfare	18,201	<b>18,201</b>	16,253
Catering	391,623	<b>391,623</b>	367,770
Transport	77,104	<b>77,104</b>	64,528
	<u>3,171,958</u>	<u><b>3,171,958</b></u>	<u>3,090,635</u>

ANALYSIS OF SUPPORT COSTS

	Education 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	513,774	<b>513,774</b>	470,495
Depreciation	165,787	<b>165,787</b>	122,951
Educational supplies	41,850	<b>41,850</b>	54,306
Other costs	78,434	<b>78,434</b>	144,147
Premises costs	347,005	<b>347,005</b>	256,633
Grounds maintenance	27,951	<b>27,951</b>	37,072
Management expenses	122,128	<b>122,128</b>	98,845
Financing expenses	79,859	<b>79,859</b>	52,732
Legal and professional	62,754	<b>62,754</b>	56,232
Governance	21,693	<b>21,693</b>	17,226
	<u>1,461,235</u>	<u><b>1,461,235</b></u>	<u>1,310,639</u>

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**10. NET INCOME/EXPENDITURE**

	2024 £	2023 £
Depreciation of tangible fixed assets: - owned by the charitable group	245,334	208,183
Fees payable to the Company's auditor in respect of:		
Auditors' remuneration - audit	14,675	13,750
Auditors' remuneration - other services	5,475	9,750
Operating lease rentals	32,779	15,442
	<u>245,334</u>	<u>208,183</u>

During the year, no Governors received any remuneration (2023: £NIL).

During the year, no Governors received any benefits in kind (2023: £NIL).

During the year, no Governors received any reimbursement of expenses (2023: £NIL).

**11. STAFF COSTS**

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Wages and salaries	2,934,215	2,718,948	2,390,404	2,225,005
Social security costs	255,694	225,520	219,468	198,951
Employer contribution to pension schemes	286,658	259,160	271,312	248,026
	<u>3,476,567</u>	<u>3,203,628</u>	<u>2,881,184</u>	<u>2,671,982</u>

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

	Group 2024 No.	Group 2023 No.	Company 2024 No.	Company 2023 No.
Teaching staff	59	57	59	57
Administrative staff	58	55	29	28
	<u>117</u>	<u>112</u>	<u>88</u>	<u>85</u>

The average headcount expressed as full-time equivalents was:

	Group 2024 No.	Group 2023 No.	Company 2024 No.	Company 2023 No.
Teaching staff	41	41	41	41
Administrative staff	42	41	21	20
	<u>83</u>	<u>82</u>	<u>62</u>	<u>61</u>

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

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**11. STAFF COSTS (CONTINUED)**

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

	<b>Group 2024 No.</b>	Group 2023 No.
In the band £60,001 - £70,000	<b>2</b>	-
In the band £70,001 - £80,000	<b>1</b>	1
In the band £100,001 - £110,000	<b>1</b>	1

The key management personnel of the School comprises the Governors (who do not receive remuneration for their role as Governors) and the Senior Management Team. The total amount of employee benefits (including employer pension contributions and employer's national insurance) received by key management personnel for their services to the School was £377,762 (2023: £350,058).

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NOTES TO THE FINANCIAL STATEMENTS  
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12. TANGIBLE FIXED ASSETS

GROUP

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2023	6,302,182	42,400	1,169,427	372,224	165,422	8,051,655
Additions	226,695	-	9,866	13,565	3,108	253,234
Disposals	-	-	(350)	(79)	-	(429)
At 31 August 2024	<u>6,528,877</u>	<u>42,400</u>	<u>1,178,943</u>	<u>385,710</u>	<u>168,530</u>	<u>8,304,460</u>
<b>DEPRECIATION</b>						
At 1 September 2023	2,036,717	19,225	895,060	284,315	93,441	3,328,758
Charge for the year	144,352	8,425	57,186	22,337	13,034	245,334
On disposals	-	-	(350)	-	-	(350)
At 31 August 2024	<u>2,181,069</u>	<u>27,650</u>	<u>951,896</u>	<u>306,652</u>	<u>106,475</u>	<u>3,573,742</u>
<b>NET BOOK VALUE</b>						
At 31 August 2024	<u><u>4,347,808</u></u>	<u><u>14,750</u></u>	<u><u>227,047</u></u>	<u><u>79,058</u></u>	<u><u>62,055</u></u>	<u><u>4,730,718</u></u>
At 31 August 2023	<u><u>4,265,465</u></u>	<u><u>23,175</u></u>	<u><u>274,367</u></u>	<u><u>87,909</u></u>	<u><u>71,981</u></u>	<u><u>4,722,897</u></u>

Whilst tangible fixed assets are held under the historical cost method, a recent valuation was carried out by Savills dated the 2nd February 2024 which valued the Freehold Land and Buildings at £7,520,000.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**12. TANGIBLE FIXED ASSETS (CONTINUED)**

**COMPANY**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2023	6,302,182	42,400	1,066,525	365,730	165,422	7,942,259
Additions	226,695	-	5,274	12,890	3,108	247,967
Disposals	-	-	-	(79)	-	(79)
At 31 August 2024	<u>6,528,877</u>	<u>42,400</u>	<u>1,071,799</u>	<u>378,541</u>	<u>168,530</u>	<u>8,190,147</u>
<b>DEPRECIATION</b>						
At 1 September 2023	2,036,717	19,225	817,718	280,642	93,441	3,247,743
Charge for the year	144,352	8,425	49,853	20,820	13,034	236,484
At 31 August 2024	<u>2,181,069</u>	<u>27,650</u>	<u>867,571</u>	<u>301,462</u>	<u>106,475</u>	<u>3,484,227</u>
<b>NET BOOK VALUE</b>						
At 31 August 2024	<u><u>4,347,808</u></u>	<u><u>14,750</u></u>	<u><u>204,228</u></u>	<u><u>77,079</u></u>	<u><u>62,055</u></u>	<u><u>4,705,920</u></u>
At 31 August 2023	<u><u>4,265,465</u></u>	<u><u>23,175</u></u>	<u><u>248,807</u></u>	<u><u>85,088</u></u>	<u><u>71,981</u></u>	<u><u>4,694,516</u></u>

The net book value of assets held under finance leases or hire purchase contracts, included above are as follows: Other fixed assets £23,520 (2023: £29,400).

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

13. FIXED ASSET INVESTMENTS

COMPANY	Investments in subsidiary companies £
<b>COST OR VALUATION</b>	
At 1 September 2023	1
AT 31 AUGUST 2024	<u>1</u>
<b>NET BOOK VALUE</b>	
AT 31 AUGUST 2024	<u>1</u>
AT 31 AUGUST 2023	<u>1</u>

14. STOCKS

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Consumables	<u>32,199</u>	<u>30,449</u>	<u>28,077</u>	<u>26,327</u>

15. DEBTORS

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
<b>DUE WITHIN ONE YEAR</b>				
Trade debtors	135,758	123,052	128,494	116,424
Amounts owed by Group undertakings	-	-	107,000	155,353
Other debtors	2,319	-	-	-
Prepayments and accrued income	160,554	76,125	148,086	61,121
	<u>298,631</u>	<u>199,177</u>	<u>383,580</u>	<u>332,898</u>

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Bank loans	160,070	188,794	160,070	188,794
Payments received on account	382,453	128,700	382,453	128,700
Trade creditors	109,398	147,598	94,201	131,794
Other taxation and social security	56,507	54,104	50,063	48,101
Obligations under finance lease and hire purchase contracts	-	5,380	-	5,380
Other creditors	74,999	68,825	60,633	51,909
Accruals and deferred income	721,232	680,620	714,741	652,083
	<b>1,504,659</b>	<b>1,274,021</b>	<b>1,462,161</b>	<b>1,206,761</b>
	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Deferred income at 1 September 2023	635,664	513,192	607,203	513,192
Resources deferred during the year	529,756	635,664	529,756	607,203
Amounts released from previous periods	(635,664)	(513,192)	(94,011)	(513,192)
	<b>529,756</b>	<b>635,664</b>	<b>1,042,948</b>	<b>607,203</b>

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group 2024 £</b>	Group 2023 £	<b>Company 2024 £</b>	Company 2023 £
Bank loans	<b>861,163</b>	1,044,344	<b>861,163</b>	1,044,344
Accruals and deferred income	<b>220,211</b>	-	<b>220,211</b>	-
	<b><u>1,081,374</u></b>	<u>1,044,344</u>	<b><u>1,081,374</u></b>	<u>1,044,344</u>

The School has two bank loans with Barclays Bank plc as at the year end, which are secured against freehold property.

The 2009 loan is repayable over 225 months and the balance outstanding at the year end was £430,516 (2023: £529,135).

The 2020 loan of £160,000 was repayable over 60 months with interest charged at a variable rate. The balance outstanding at the year end was £Nil (2023: £63,243).

A new loan was taken out in 2023. The total borrowing was £650,000, repayable over 120 months on a five-year fixed interest rate. The balance outstanding at the year end was £590,717 (2023: £640,760).

**18. FINANCIAL INSTRUMENTS**

	<b>Group 2024 £</b>	Group 2023 £	<b>Company 2024 £</b>	Company 2023 £
<b>FINANCIAL ASSETS</b>				
Financial assets measured at amortised cost	<b><u>2,109,419</u></b>	<u>1,716,496</u>	<b><u>2,156,544</u></b>	<u>1,748,824</u>
	<b>Group 2024 £</b>	Group 2023 £	<b>Company 2024 £</b>	Company 2023 £
<b>FINANCIAL LIABILITIES</b>				
Financial liabilities measured at amortised cost	<b><u>2,584,811</u></b>	<u>1,657,239</u>	<b><u>2,543,633</u></b>	<u>1,618,516</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors, amounts owed by group undertakings, accrued income and cash at bank and in hand.

Financial liabilities measured at amortised cost comprise payments on account, trade creditors, accruals, bank loans, other tax and social security and obligations under finance lease and hire purchase contracts.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**19. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 September 2023 £	Income £	Expenditure £	Balance at 31 August 2024 £
<b>UNRESTRICTED FUNDS</b>				
General Funds - all funds	4,239,691	4,744,439	(4,556,386)	4,427,744
The Downs School Association	30,450	50,646	(40,975)	40,121
Downs School Enterprises Limited	(58,376)	870,855	(856,442)	(43,963)
	<u>4,211,765</u>	<u>5,665,940</u>	<u>(5,453,803)</u>	<u>4,423,902</u>
<b>RESTRICTED FUNDS</b>				
Restricted Funds - all funds	1,498	-	(1,003)	495
	<u>1,498</u>	<u>-</u>	<u>(1,003)</u>	<u>495</u>
<b>TOTAL OF FUNDS</b>	<u><u>4,213,263</u></u>	<u><u>5,665,940</u></u>	<u><u>(5,454,806)</u></u>	<u><u>4,424,397</u></u>

**UNRESTRICTED FUNDS**

During the year, parent contributions made to the Downs School Association (DSA) and fundraising amounted to £50,646 (2023: £39,231). The DSA is a Committee appointed by the Board comprising elected parents and senior staff who organise social events for the School community and raise funds for the purchase of equipment to benefit the children.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**19. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 September 2022 £	Income £	Expenditure £	Balance at 31 August 2023 £
<b>UNRESTRICTED FUNDS</b>				
General Funds	4,157,583	4,396,215	(4,314,107)	4,239,691
The Downs School Association	19,968	39,169	(28,687)	30,450
Downs School Enterprises Limited	(74,554)	802,394	(786,216)	(58,376)
	<u>4,102,997</u>	<u>5,237,778</u>	<u>(5,129,010)</u>	<u>4,211,765</u>
<b>RESTRICTED FUNDS</b>				
Donations	<u>235</u>	<u>1,700</u>	<u>(437)</u>	<u>1,498</u>
<b>TOTAL OF FUNDS</b>	<u><u>4,103,232</u></u>	<u><u>5,239,478</u></u>	<u><u>(5,129,447)</u></u>	<u><u>4,213,263</u></u>

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD**

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	4,730,718	4,730,718
Current assets	495	2,279,217	2,279,712
Creditors due within one year	-	(1,504,659)	(1,504,659)
Creditors due in more than one year	-	(1,081,374)	(1,081,374)
<b>TOTAL</b>	<u><u>495</u></u>	<u><u>4,423,902</u></u>	<u><u>4,424,397</u></u>

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD**

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	4,722,897	4,722,897
Current assets	1,498	1,807,233	1,808,731
Creditors due within one year	-	(1,274,021)	(1,274,021)
Creditors due in more than one year	-	(1,044,344)	(1,044,344)
<b>TOTAL</b>	<u>1,498</u>	<u>4,211,765</u>	<u>4,213,263</u>

**21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	Group 2024 £	Group 2023 £
Net income for the period (as per Statement of Financial Activities)	<u>211,134</u>	<u>110,031</u>
<b>ADJUSTMENTS FOR:</b>		
Depreciation charges	245,334	210,406
Interest income	(38,063)	(11,196)
Loss on disposal of fixed assets	79	330
Increase in stocks	(1,750)	(286)
Decrease/(increase) in debtors	(99,454)	36,835
Increase in creditors	484,953	134,929
Interest paid	75,860	42,762
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>878,093</u>	<u>523,811</u>

**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	Group 2024 £	Group 2023 £
Cash in hand	<u>1,948,882</u>	<u>1,579,105</u>
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<u>1,948,882</u>	<u>1,579,105</u>

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2023	Cash flows	Repayment of borrowings	Finance lease repayments	At 31 August 2024
	£	£	£	£	£
Cash at bank and in hand	1,579,105	369,777	-	-	1,948,882
Debt due within 1 year	(188,794)	-	28,724	-	(160,070)
Debt due after 1 year	(1,044,344)	-	183,181	-	(861,163)
Finance leases	(5,380)	-	-	5,380	-
	<u>340,587</u>	<u>369,777</u>	<u>211,905</u>	<u>5,380</u>	<u>927,649</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

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**24. PENSION COMMITMENTS**

The Group's employees belong to three principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for teaching staff and two defined contribution schemes for teaching and non-teaching staff.

**Defined Contribution Scheme**

The Group operates a defined contribution pension scheme (APTIS) for the majority of its teaching staff and a defined contribution scheme (The People's Pension) for its non-teaching staff and Nursery staff. The assets of these schemes are held separately from those of the Group in independently administered funds. The employer's pension costs paid to these defined contribution schemes in the period amounted to £211,059 (2023: £210,292) on a like-for-like basis, excluding APTIS 'salary sacrifice' element.

**Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury (HMT) every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the previous valuation as at 31 March 2016 which was effective for the year ended 31 August 2024 are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy).
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million.
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The result of the previous TPS valuation was implemented from 1 April 2024. As a result of this change, the employer contribution rate moved to 28.68% of pensionable pay (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the year amounted to £59,800 (2023: £37,735).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>) for 2016 and [www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx](http://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx) for 2020.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group has set out above the information available on the scheme.

**25. CAPITAL COMMITMENTS**

	<b>Group 2024 £</b>	<b>Group 2023 £</b>
<b>CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS</b>		
Acquisition of tangible fixed assets	-	26,102
	<u>          </u>	<u>          </u>

**26. OPERATING LEASE COMMITMENTS**

At 31 August 2024 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2024 £</b>	<b>Group 2023 £</b>	<b>Company 2024 £</b>	<b>Company 2023 £</b>
Not later than 1 year	<b>25,565</b>	15,607	<b>25,565</b>	15,607
Later than 1 year and not later than 5 years	<b>76,730</b>	25,930	<b>76,730</b>	25,930
	<u><b>102,295</b></u>	<u>41,537</u>	<u><b>102,295</b></u>	<u>41,537</u>
	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

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**27. RELATED PARTY TRANSACTIONS**

A number of Governors have children who are pupils at the School; the appropriate level of fees is levied in respect of these pupils.

Governors' children are assessed for bursaries and scholarships on the same basis as all other pupils on an arm's length basis. During the year, Governors received bursaries totalling £Nil (2023: £Nil).

Mr B Northover (who resigned as a Governor on 12 March 2024) and Ms J. Oliver are members of Veale Wasbrough Vizards LLP. Veale Wasbrough Vizards LLP was appointed as the School's solicitors prior to Mr B Northover and Ms J. Oliver becoming Governors and therefore they were not involved in the decision making process. During the year Veale Wasbrough Vizards LLP was paid £29,404 (2023: £19,992) for legal services provided to the School. These transactions were made on a commercial basis. There was a balance outstanding at the year end of £5,978 (2023: £418).

Mr J.M. Collard is a director of Studio Hive Limited. During the year the School purchased advice and support in relation to planning applications and the swimming pool development from the company for £Nil (2023: £23,578). These transactions were made on a commercial basis. There was a balance outstanding at the year end of £Nil (2023: £Nil).

At the year end the School had a debtor balance of £107,000 (2023: £156,350) with its subsidiary Downs School Enterprises Limited. Movement in the year related to intercompany recharges and loan interest. The School also received rent from Downs School Enterprises Limited of £42,900 (2023: £42,900) and loan interest of £14,309 (2023: £12,511).

**28. PRINCIPAL SUBSIDIARIES**

The following was a subsidiary undertaking of the Company:

<b>Name</b>	<b>Company number</b>	<b>Registered office or principal place of business</b>	<b>Principal activity</b>
Downs School Enterprises Limited	10801425	The Downs School, Charlton Drive, Wraxall, Bristol, BS48 1PF	Nursery
<b>Class of shares</b>	<b>Holding</b>	<b>Included in consolidation</b>	
Ordinary	100%	Yes	

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit for the year £</b>	<b>Net Liabilities £</b>
Downs School Enterprises Limited	870,855	(857,762)	13,093	(45,282)



**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**

England & Wales - Charity number 310279

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# Accounts

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Registered number: 01072074  
Charity number: 310279

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

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**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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<b>Governors</b>	Mr N. Pursall (appointed 1 September 2022) Mr C.R.G. Biggin Mr J.M. Collard, (appointed as Chair 9 October 2023) Mr D.J. Ferris (resigned 31 August 2023) Mr J.A. Isaacs, (stepped down as Chair 9 October 2023) Mr T.P. Lloyd-Jones Mrs H. Mack Mr T.P. Matthews Mr B.J. Northover Mr T. O'Sullivan Mr T. Tainton (resigned 14 August 2023) Ms J. Oliver (appointed 1 September 2022) Dr R.S. Thomson Mrs R.E. Thornton Mr C.N.I. Tuttiett
<b>Company registered number</b>	01072074
<b>Charity registered number</b>	310279
<b>Registered office</b>	The Downs School Charlton House Wraxall Bristol BS48 1PF
<b>Company secretary</b>	Mr. J. Barclay
<b>Headteacher</b>	Mrs D. J. Isaachsen
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants 10 Temple Back Bristol BS1 6FL
<b>Bankers</b>	Barclays Bank plc 4th Floor, Bridgewater House Counterslip Finzels Reach Bristol BS1 6BX
<b>Solicitors</b>	Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2023**

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The Governors present their annual report together with the audited financial statements of the Company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Governors' report and a Directors' report under company law. The Governors confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 01 January 2019).

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

The Company is governed by its Memorandum and Articles of Association, last amended on 11 October 2013.

**Governing Body**

Governors are elected in accordance with the Company's Articles of Association and generally serve for a term of three years whereupon they become eligible for re-election. The Chair is appointed by the Board of Governors and serves for five years.

The Board acknowledges the need to recruit new members from time to time who can bring a broad range of professional knowledge and skill appropriate for effective governance. The Governors' Development Committee advises the Board on these needs, and identifies potential future members. Governors are recruited from the local business community, the School's own community and the region's educational establishments. Their membership is proposed and considered at Board meetings. Once appointed, they attend a formal induction at the School.

All Governors give freely of their time and no remuneration or expenses were paid in this year.

**STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)**

**Organisational Management**

The Board of Governors meet formally at least three times per annum, that is at least once in each academic term. A number of Committees are formed from the Governing Body and key management personnel. These Committees support the aim of monitoring the School's performance and activities against its objectives and determining its policies as set out in its Scheme of Governance. The majority of Committees met at least once in each academic term and provided a full Committee report to the Board.

**Finance Committee**

Mr T. P. Lloyd-Jones (Chair)  
Mr J. Barclay  
Mr C.R.G. Biggin  
Mr J. M. Collard  
Mrs D. Isaachsen  
Mrs H. Mack  
Mr T. Tainton (resigned 31 August 2023)  
Mrs R.E. Thornton  
Mr C.N.I. Tuttiett

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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Bursary Committee	Mr T.P. Lloyd-Jones (Chair) Mr J. Barclay Mrs D. Isaachsen Mrs H. Mack Mrs R.E. Thornton
Strategy Committee	Mr D.J. Ferris (Chair) (resigned 31 August 2023) Mr J. Barclay Mr J.M. Collard Mrs D. Isaachsen Mr J.A. Isaacs Mr B.J. Northover Ms J. Oliver (appointed 01 September 2022) Mr T. Tainton (resigned 31 August 2023) Mr C.N.I. Tuttiett
Nursery Committee	Mr J. M. Collard (Chair) Mr J. Barclay Mrs D. Isaachsen Mr M.A. Newman [Independent Director] Dr R.S. Thomson Mrs R. E. Thornton
Remuneration Committee	Mrs R.E. Thornton (Chair) Mr J. Barclay Mrs D. Isaachsen Mr J.A. Isaacs
Education Committee	Mr T. O'Sullivan (Chair) Mrs D. Isaachsen Mr N. Pursall (appointed 01 September 2022)
Risk and Regulatory Committee	Mr B.J. Northover (Chair) Mr J. Barclay Mrs D. Isaachsen Ms J. Oliver (appointed 01 September 2022) Mr N. Pursall (appointed 01 September 2022) Dr. R.S. Thomson
Governors' Development Committee	Mr J.A. Isaacs (Chair) Mr D.J. Ferris (resigned 31 August 2023) Mrs D. Isaachsen Mr B.J. Northover
Health and Safety Committee	Mr J. Barclay (Chair) Mr J. M. Collard Mrs D. Isaachsen Mrs R.E. Thornton Mr C.N.I. Tuttiett
Downs School Association Committee	Mrs. F. Collins (Chair) (appointed 05 October 2022) Mrs E. Ellis (Secretary) (appointed 05 October 2022) Mrs C. Johnson (Treasurer) (appointed 05 October 2022)

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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The day-to-day running of the School is delegated to the Headteacher and the Bursar, as key management personnel, via the Scheme of Governance. They are supported by other teaching members of the Senior Leadership Team being the Deputy Head Pastoral and Deputy Head Academic.

The remuneration of key management personnel is set by the Board, with the policy objective of ensuring that they are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the Company's success. Delivery of the Company's charitable vision and purpose is primarily dependent on the key management personnel and staff costs are the largest single element of our charitable expenditure.

**Principal Risks and Uncertainties**

The Board, supported by the Strategy and Finance Committees, reviews the School's current and planned future strategic activities in light of any major risks arising from time to time.

The School has a Risk Register where significant risks are monitored and updated by the full Board and lower risks are delegated to appropriate Committees for consideration. Selected Committees also monitor, update and evaluate key policies and their implementation in order to effectively manage risk. These Committees report their findings to the Risk and Regulatory Committee which reports to the Board.

Risks are also mitigated by maintaining effective internal controls in all compliance and legislative matters, through the regular monitoring of these controls and insurance cover where appropriate.

The Board considers that the following factors present the most significant risks to the School.

**LOSS OF TAX BENEFITS OF CHARITABLE STATUS**

The Board is considering the impact of the risk of increased costs outside the School's control including the threat of the loss of business rates relief to some registered charities and the Labour Party's aspiration to impose VAT on independent school fees (in the event they become the next UK Government).

**CUSTOMER AFFORDABILITY**

Noting the prevailing economic situation, the Board anticipates that some existing parents may struggle to continue to afford School fees. This may also increase caution in prospective parents considering an independent education and demand for places and therefore pupil numbers may be affected in the short to medium term. Applications for means-tested bursary support may increase, both for existing and prospective parents, not all of which can be supported by existing funds.

**COST PRESSURES**

Continuing cost increases create material risks to the cost base for staff and non-staff costs for the School. The School manages these input cost risks by entering into longer term contracts for some elements. In particular the pressures associated with staffing costs, energy costs, and estate maintenance costs are particularly prevalent.

**OTHER RISKS**

- The possible impact on pupil numbers from competition from other schools, particularly for Year 7 & Year 8 pupils, and from wider demographic trends.
- Loss of key personnel could affect the efficient operation of the School and its financial controls.
- Continuing strong competition to recruit high quality teaching staff could impact on reputation and perceived quality of teaching.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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- An incident involving harm to a pupil could lead to severe reputational damage.

The Governors and Senior Leadership Team have recognized these risks and continue to take the following action:

- Ensure that the School's reserves have been protected.
- Consider changes to the School's existing Fees in Advance Scheme as a way of supporting parents in future financial planning and to support cashflow planning for the School.
- Make available short term fee support to existing families where possible and maintain close communication with parents in financial hardship.
- Carefully scrutinize non-essential expenditure to ensure it remains appropriate and value for money.
- Manage carefully the extent of bank-funded debt whilst ensuring on-going investment in the School's facilities.
- Consider future strategies to mitigate the potential vulnerabilities for the School as a small stand-alone independent school, particularly in light of potential government-driven tax and charity law changes.
- Maintain open and clear communication with the parent body.
- Engage actively with Headteachers and Admissions' Teams at Bristol senior schools to build constructive dialogue on available spaces for Year 9 entry.
- Monitor DfE and NHS pandemic-related communications and respond accordingly for further pandemic impacts.

In the view of the Board, the School has established resources which should ensure that these risks are managed to an acceptable level in its day-to-day operations. In the longer term, strategic planning and management aim to reduce the potential impact of risk factors.

**OBJECTS, PUBLIC BENEFIT AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

**Objects**

The object of the charitable company, in accordance with its Memorandum and Articles of Association, is to promote and provide for the advancement of education for boys and girls.

The main strategic priorities for the School are as follows:

1. Maintain and develop the high teaching and learning standards whilst having the confidence to innovate and the wisdom and foresight to know where we stand in relation to the market and what risks and opportunities the future might hold.
2. Embrace and deliver on our purpose; to prepare young students for their life ahead in all its facets; including academia, the arts & sport and also across the much more fundamental core behavioural characteristics such as resilience, communication, confidence and team work.
3. Continue to provide a sense of community, familiarity and understanding, across all of our students, parents and stakeholders.
4. Safeguard every pupil and member of the School community and ensure that a safe and nurturing environment is always provided.
5. Ensure that our all-round offering from Nursery level through to Year 8 is developmental to the students and compelling to the parent body.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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6. Maintain a stable financial model whilst continuing to develop new income streams to support financial stability.
7. Maintain existing and continually improve upon the quality of the estate whilst fully leveraging our assets for the benefit of our students and community at large.
8. Employ a highly motivated and inspirational body of staff to take all pupils to the limits of their potential.
9. Have continuity of talented leadership and a clear succession plan.

**Principal activity and income sources**

The Company's principal activity continues to be the provision of a Day School for 4 – 13 year old boys and girls. The principal source of income is therefore from tuition fees and from related educational and extra-curricular activities. Other revenue is derived from the letting of facilities for sport, recreation, private parties and functions.

The Company's subsidiary, Downs School Enterprises Limited (DSEL), was established in June 2017 and opened its Nursery, 'Bertie's', in January 2018 providing year round day care and Pre-School facilities for children aged 6 months to 4 years. The Nursery continues to trade at a surplus, although cost and income pressures have reduced the overall profitability through the year. However, the Nursery continues to be near capacity with waiting lists in some rooms.

Recruitment of pupils from the Nursery to the School's Reception Year remains strong. The DSEL directors continue to review and revise the staffing structure and remuneration through the year, including a clearer career progression strategy, to support staff retention and further staff recruitment. The directors recognise the need to be highly selective in staff recruitment and the business will only grow as excellent staff can be selected to join the team.

**Grant-making and access-widening**

The School provided means-tested bursaries totalling £195,421 and was able to support 27 (2022: 37) pupils over the course of the year through its bursary scheme. Of these pupils, 10 received at least 50% support by way of fee remission. Fee assistance by way of bursaries accounted for 4.6% (2022: 6.0%) of gross tuition fee income. This recent reduction is partially attributable to a continuing reduction in short term support for families in financial difficulty due to the pandemic.

The bursary policy contributes to a widening of access to the education on offer and the facilities enjoyed. It is important to the School that access is not restricted to those who can afford the fees. Bursaries are made on a means-tested assessment and reviewed annually. Application is available to potential and existing pupils at the School. Financial support up to 100% can be considered and, by exception, beyond this level up to 110% of fees for transformational bursaries.

The School continues to support various organisations to use its sports facilities, grounds and other resources at little or no cost. The charity, Children's Hospice South West (CHSW), is located close to the School. CHSW from time to time uses the School's premises for fundraising events and meetings without charge. The School is actively looking to re-build further community links going forward, in particular for use of the newly-renovated swimming pool.

The house system within the School facilitates charity fund raising days in order for each of the four houses to choose a charity and organise a themed day where the whole School participates. Guest speakers have attended to explain the objects of their charity and the impact on recipients of the funds raised. During the 2022-23 year, pupils and staff raised £6,239 in the year, including for South West Children's Hospice (the School's neighbour) and Macmillan Cancer Support.

GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023

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## REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

The School aims to provide an excellent academic experience with the highest standards of teaching and assessment. This is balanced with a broad curriculum and that embraces equally sport and the Performing Arts.

### Academic

Pupils joined us in September 2022 in Reception from a variety of different settings. They quickly settled into the school routines and followed the Early Years Foundation Stage (EYFS) framework. Regular Forest School sessions and specialist lessons such as French and dance further enhanced their curriculum.

In the Pre-Prep, children continue to follow an exciting timetable of lessons. Classroom based teaching is complemented by increasing numbers of specialist lessons as they move through to Year 3. From Year 1 children participate in termly assessments in Maths and English, and a new tracking system is now fully embedded, enabling staff to identify trends and areas which can be developed further.

In the Junior section (Years 4 – 6), the children move around the school to an increasing number of different locations. A highlight for Year 4 is science lessons in the labs. Year 5 and beyond continue to be taught all of their lessons by subject specialists and move around the school for all of their lessons. Year 6 sit 11+ style exams in the spring term before commencing the Common Entrance syllabus.

Pupils are prepared for the Common Entrance examinations at the end of Year 8. Many pupils will sit external examinations for their chosen senior school. This year our pupils achieved strong results and gained access to a range of senior schools, including Eton. Many pupils were awarded scholarships in a variety of areas. This year's leavers achieved the following scholarships:

Academic	6 scholarships
Sport	8 scholarships & 1 Exhibition
Music	1 scholarship
Drama	1 scholarship
Art	1 scholarship
All Rounder	1 scholarship

### Performing Arts

As well as the provision of Music, Drama and Dance, all pupils at the School also receive a weekly 40 minutes' session in the Performing Arts. In the Prep School, the academic year was divided into three term-long projects:

- Term 1. Local artists' research project and a performance. The children worked with artists, Shanty band 'The Longest Johns', 'The Dark Angels' dance group, comedian and children's entertainer, Nutty Noah, and performance poet, Spikey Tim. The term ended with a whole School performance of 'Scrambled Scrooge'. Each group project included virtual visits from the actors as well as in person visits to the School.

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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- Term 2. This was devoted to the technical side of performance. Children worked with resident experts on set design, sound and lighting, PR and Marketing and Green Screens.
- Term 3. This was devoted to working towards our Celebration Day performances of 'Shackleton', a piece devised by Heads of Drama, Dance and Performing Arts (PA) Coordinator.

The weekly sessions were also used as a rehearsal time for the Year Group plays and the senior play.

In the Pre Prep, the sessions were led by class teachers in Terms 1 and 2 and then by the PA Coordinator and Heads of Music, Drama and Dance for Term 3 for Celebration Day performances of 'Giraffes Can't Dance'.

### **Music**

Our aim in the Music Department is to offer all pupils the opportunity to gain enjoyment from this broad subject at as many different levels as possible. Music is very much valued at the School. It plays an important part in our School life. In fact, the sound of singing and instrumental playing echoes across the School every day in one form or another.

The learning of an instrument and the fun of making music with other children can become a joy for life. It is therefore encouraging that a large number of our pupils take advantage of the expert tuition offered by our experienced team of ten instrumental and singing teachers who give individual or joint lessons on a wide range of instruments.

For the academic year 2022 - 2023, approximately 54% of Year 1 – 3 pupils had musical tuition on either an instrument or voice and approximately 78% of pupils in Years 4 – 8. Lessons usually take place during the normal School day. These figures obviously fluctuate throughout the year as new pupils sign up or unfortunately cease tuition.

We are proud of our 100% pass rates for our ABRSM and Trinity Music Examinations. During the last academic year, we achieved the following results:

- Prep Test examinations - 11 pupils successful.
- Lower Grades 1 -3 as follows:
  - Pass – 22 pupils
  - Merit – 19 pupils
  - Distinction – 9 pupils

These results have also included several higher-grade successes.

- Grade 4 – 6 pupils
- Grade 5 – 7 pupils
- Grade 6 – 2 pupils
- Grade 7 – 1 pupil

In addition, we have one Year 8 pupil who has achieved their Grade 5 music theory with a Merit pass.

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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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The most advanced musicians receive every opportunity to develop their playing and singing. Pupils who show great musical potential and ability are directed to apply for music scholarships. These pupils must show exceptional ability on their first study instrument and also acquire reasonable performance skills on a second or possibly third instrument. We currently have one pupil working towards a music scholarship to Marlborough for September 2024 entry.

We have spacious teaching facilities, which include three music pods and the Coachman's Cottage. In addition, we also have a theatre and the Charlton Room that both provide excellent venues for our regular concerts, recitals and performances.

Every child sings in a choir, enjoying the experience of singing and performing. Our main choir – The Downs Singers - is an auditioned choir and performs at many prestigious events throughout the School diary, most notably the Cathedral Carol Service and a Remembrance Concert.

Throughout each term, all children have many performing opportunities. All children taking instrumental lessons are encouraged (where appropriate) to join at least one music ensemble. Currently these are The Downs Singers, Year Group Choirs, School Orchestra, Soul Band, Music Theory Groups, and Rock Bands.

We also hold an annual Music Festival in collaboration with Badminton School with classes for pianists and singers.

The Director of Music teaches music to every child from Reception to Year 8. Our syllabus follows the requirements of the National Curriculum: listening and appraising, composing and performing.

### **Speech and Drama**

The Drama department enjoyed another successful year with every child in the School participating in at least one production, not to mention concerts and Festivals. The teachers in Pre Prep relish directing their own classes and with the magnificent help from parents with costume and props they produce colourful, imaginative and high quality productions. The School is lucky to have our own theatre with excellent sound and lighting and now we have new staging, which we can move and position without the need of the maintenance team, we have an enviable facility to showcase our talented pupils. In the Prep School the Year 4 and 5 teachers direct their plays using their English lessons to add cross curriculum work to their productions, Years 6 and 7 productions are produced by the Head of Drama and another Prep Teacher, both of whom have a wealth of experience. In addition, the Year 8's revue is always well-received, including adaptations of the words to well-known songs.

#### **9 Performances:**

- Reception & Year 1 – “Barmey Bethlehem”
- Year 2 – “The Bee Musical”
- Year 3 – “Pirates v. Mermaids”
- Year 4 - “Ye-Ha”
- Year 5 – “Treasure Island”
- Year 6 – “The Tempest”
- Year 7 – “The Silver Sword”
- Year 8 – End of School review
- Senior Production – “The Importance of Being Earnest”

Total number of Speech and Drama students from Reception to Year 8 was 102.

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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The pupils attend lessons in groups of 2, 4, up to 8 for 30 minutes' lessons each week in the drama studio. The timetable for the Head of Speech & Drama has been adjusted to offer classes after School to avoid taking children from academic lessons. Two pupils have been offered Drama Scholarships – one at Downside School and the other at Clifton College and Sidcot.

We encourage our pupils to enter local Festivals through the year. The School was represented at both Nailsea Festival (November 2022) and the Bristol Festival (March 2023). Pupils from Year 2 to Year 8 competed in acting, mime, poetry and sight reading classes. The School won or were placed in all the classes entered.

60 children from Year 2 to Year 8 took their Vanguard Speech and Drama exams in the Summer Term 2023 and again we had 100% pass with 31 gaining honours (over 90%), with one Downs pupil being awarded 99% (the highest mark a pupil has ever received at the School).

**Theatre Trips and professional performances in School:**

- Bristol Old Vic Theatre School performed for the Pre Prep in the School theatre – "Nativity"
- The Senior Production cast attended a performance of "Cabaret" at Wells Cathedral School
- Year 4 went to The Redgrave Theatre to watch BOVTS's performance of "Robin and Marian"

**Dance**

The Dance Department continues to thrive and has seen another year of record numbers. There are 6 more lessons on offer than last year, and 25 more sign-ups. There are now a record number of boys signed up for dance lessons, this year there are 33 and in 2017 there were 8. We had 51 new sign-ups in September 2022, which is another all-time high. Finally, we had 16 extra exam entries, bringing the number to 97, another record.

The Dance Show had to be divided into two shows for the first time, as we had so many dances to perform. These filled two hour slots and without doubt was the highest standard we have ever achieved.

Figures and performance opportunities are shown below:

- 30 private lessons take place every week. These include Ballet, Tap, Jazz, Boys' Dance and Girls' Hip Hop.
- 117 individual pupils are signed up for private dance lessons.
- 167 sign-ups for private lessons (some pupils do more than one class per week) and 98 curriculum dance = 265 per week total.
- 33 boys now attend a weekly private dance lesson - record number.
- 6 half-hour curriculum dance lessons for YR, Y1 and Y2 are taught each week.

Dance Exams – Record number of exam entries at 97

- Honours Star 25
- Honours 49
- Highly Commended 21
- Commended 2
- Pass 0
- Fail 0

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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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Performance Opportunities include:

- Parent Observation Week - Parents are invited to watch a whole dance lesson.
- House Dance - All pupils in Prep School take part in this event.
- Christmas Concert and Summer Concert
- Grandparents' Day
- School Fete
- Dance Show - All pupils who attend private lessons are involved in this event.
- Celebration Day

**Sport**

The Sports Department has shown growing strength in Girls cricket, cross-country and Boys hockey. Eight children achieved Sports Scholarships to seven different schools, plus one further Sports Exhibition was awarded. The U11 Boys hockey team qualified for the National IAPS hockey finals and won the county event, the U11 Girls cricket team were runners up in the IAPS regional competition. Four girls represented the School in the IAPS regional swimming event and one girl qualified for the National IAPS Swimming Finals. Four pupils qualified for the National Athletics Finals. With just over 50 teams competing in the National Cross-Country competition the U11 Boys team finished a commendable 13<sup>th</sup> position with one boy finishing 8<sup>th</sup> overall.

Representational honours were achieved in hockey, rugby and cricket. In addition to a full fixture calendar, the children have particularly enjoyed competing in the School's triathlon event with our pupils entering 18 teams. One U10 Boys team won their age group competition. Our 50<sup>th</sup> Rugby Sevens competition was a highlight of the year. It was particularly good to see old boys returning to make it a memorable day.

**Representational Honours**

**Hockey**

- U14 Avon Junior Development Centre (Local District) – 5 pupils
- U14 Avon Junior Academy Centre (County) – 3 pupils

**Rugby**

- Bristol Bears DDP (Academy) – 1 pupil

**Cricket**

- Somerset U11 Girls Development squad - 3 pupils
- Cricket Wales U12 Girls Development squad - 1 pupil
- Cricket Wales East U11 Girls - 1 pupil
- Cricket Wales East U13 Girls - 1 pupil

**Sports Scholarships & Exhibitions**

- Sidcot - 2 Sports scholarships
- Millfield - 1 Sports scholarship
- Downside - 1 Sports scholarship
- Blundell's - 1 Sports scholarship
- Clifton - 1 Sports scholarship
- Cheltenham - 1 Sports Exhibition
- BGS - 1 Sports scholarship
- Wycliffe - 1 Sports scholarship

GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023

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**National Competitions**

- IAPS U11 National Hockey Finalists
- IAPS National Swimming Finals – 1 pupil
- National Cross-Country Finals ~ 4 pupils
- National Athletics Finals – 4 pupils

**Regional Competitions**

- IAPS U11 Girls Hard Ball cricket ~ Runners up
- Senior Girls finalists in the Malvern Sixes Cricket Competition

**Pastoral**

The School offers proactive support to all Year Groups and staff with pastoral matters and wellbeing by providing a safe and happy place in which to work and learn. We offer wellbeing experiences and opportunities through initiatives such as 'Wellbeing Day' as well as promoting the narrative around wellbeing and mental health through assemblies, guest speakers and PSHE curriculum. Our values of Explore, Express, Excel, remain central to our ethos, enabling pupils and staff to be the very best version of themselves.

This academic year we continue to focus on wellbeing across the School for both staff and pupils.

**Staffing:**

We actively support staff CPD training and consider staff wellbeing in the following ways:

- With two-form entry across the School, we have introduced a third tutor per year group to provide consistent support and assistance.
- A Wellbeing Coordinator available to provide vital 1-2-1 and group work, for pupils and staff.
- Enhanced welfare and engagement opportunity for staff through the offer of breakfast on a Monday & Friday.
- Providing in-house teacher training for two staff and actively promotion CPD

**Addressing pastoral matters:**

- Pastoral matters were addressed in PSHE sessions; assemblies and through visiting speakers.

**Fundraising performance**

Donations and gifts in the year amounted to £10,669 (2022: £9,715).

Parents' regular termly donations to the Downs School Association ("DSA") amounted to £8,969, where the distribution of these funds is determined by an elected Committee that comprises parents and some staff and who report to the School's main Board of Governors. Other donations amounted to £1,700 for specific areas.

**Downs School Association (DSA)**

The DSA raise funds through events in which parents, pupils and staff participate. The team ran multiple successful fundraisers, with the annual Fireworks Night and Summer Fete firmly in everyone's diaries. We have introduced a Halloween Party to Pre Prep children, we have reinvigorated our Quiz Night, and also held a Pre-Loved Shopping Evening with donations from the parent community. The end of the year was celebrated with a Summer Social for the parents. The second hand uniform shop is inundated with donations, and well received by grateful parents. Our funds raised this year have continued to contribute towards the recently installed cricket nets, and we have also provided the School with some additional bell tents (£3,500), some swimming pool equipment items (£2,000) and supported Arts Week (£5,500).

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The operating surplus for the year amounted to £93,853 (2022: £163,895) for the School against an average number of pupils of 269 (2022: 258). The ongoing working capital requirements of the Nursery, operated by the subsidiary, Downs School Enterprises Limited, generated a profit for the subsidiary of £16,178 (2022: £117,024).

Consolidated funds of the School and its subsidiary have therefore increased by £110,031 to £4,213,263 (2022: £4,103,232).

**RESERVES POLICY**

Total reserves are £4,213,263 (2022: £4,103,232), of which £4,722,897 (2022: £3,863,190) comprises fixed assets. This leaves £723,504 (2022: £954,793) as free reserves after taking into account loans secured on the fixed assets of the charity of £1,233,138 (2022: £714,751). This follows an additional loan of £650,000 in April 2023 to partially fund the redevelopment of the School's swimming pool. Restricted funds amount to £1,498.

The level of reserves is considered sufficient for the immediate needs of the Group. The policy remains to maintain free reserves to continue the high standard of educational services currently provided including a regular programme of renewal of resources including IT, and to balance this with future capital expenditure requirements and the demands of maintaining the Group's extensive grounds and historic buildings.

**GOING CONCERN**

Having reviewed the funding facilities available to the School together with the expected ongoing 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 and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 14.

**Future Plans and Reserves**

The Board maintains its intent to continually reinvest in the infrastructure of the School to secure its future. The retention of good operating surpluses in recent years has provided cash reserves that have enabled the Board to invest and diversify and yet still hold significant, contingent funds for any unforeseen requirements including changes in demand for working capital.

Focus in the forthcoming year is to continue to maintain the school community and invest in the children's needs. The Board is also preparing a longer-term development plan for the School and the wider estate to support the School's objectives and ambitions.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

The Governors (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Governors' 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 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 Group and the Company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

**DISCLOSURE OF INFORMATION TO AUDITORS**

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

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

**AUDITORS**

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Governors will propose a motion reappointing the auditors at a meeting of the Governors.

Approved by order of the members of the Board of Governors and signed on their behalf by:



**Mr J.M. Collard**

Chair of Governors

Date: 15/03/2024

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**

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**OPINION**

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

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the School's affairs as at 31 August 2023 and of the Group's 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 and the Charities Act 2011.

**BASIS FOR OPINION**

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

**CONCLUSIONS RELATING TO GOING CONCERN**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the School'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 Governors with respect to going concern are described in the relevant sections of this report.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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**OTHER INFORMATION**

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

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

- the School has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the School's 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.

**RESPONSIBILITIES OF GOVERNORS**

As explained more fully in the Governors' responsibilities statement, the Governors (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 Governors 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 Group's and the School'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 Group or the School or to cease operations, or have no realistic alternative but to do so.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

- We have considered the nature of the sector, control environment and financial performance of the School;
- We have considered the results of enquiries with management and Governors, including the committees charged with governance over the School's finance and control, in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have considered any matters we identified having obtained and reviewed the School's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks or fraud or non-compliance with laws and regulations;
- We have considered the matters discussed among the audit engagement team and involving relevant internal independent schools specialists regarding how and where fraud might occur in the financial statements and any potential indications for fraud;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation;

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the School operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019 and FRS 102. In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the School's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- 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;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing committee meeting minutes;
- Enquiring of Governors and management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue with a particular focus around 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

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

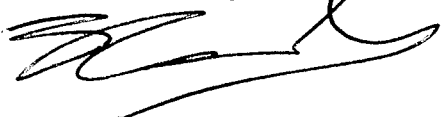
We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve 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 School'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 School's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the School and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Joseph Scaife FCA DChA (Senior statutory auditor)**

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date: 22/3/2024

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Donations and legacies	4	1,700	8,969	10,669	9,715
Charitable activities		-	4,339,808	4,339,808	3,909,062
Other trading activities	6	-	877,138	877,138	856,058
Investments	7	-	11,863	11,863	559
Other income	8	-	-	-	1,831
<b>Total income</b>		<b>1,700</b>	<b>5,237,778</b>	<b>5,239,478</b>	<b>4,777,225</b>
<b>Expenditure on:</b>					
Raising funds	9	-	728,173	728,173	635,539
Charitable activities		437	4,400,837	4,401,274	3,860,767
<b>Total expenditure</b>		<b>437</b>	<b>5,129,010</b>	<b>5,129,447</b>	<b>4,496,306</b>
<b>Net movement in funds</b>		<b>1,263</b>	<b>108,768</b>	<b>110,031</b>	<b>280,919</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		235	4,102,997	4,103,232	3,822,313
Net movement in funds		1,263	108,768	110,031	280,919
<b>Total funds carried forward</b>		<b>1,498</b>	<b>4,211,765</b>	<b>4,213,263</b>	<b>4,103,232</b>

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

The notes on pages 23 to 44 form part of these financial statements.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:01072074**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	4,722,897	3,863,190
		<u>4,722,897</u>	<u>3,863,190</u>
<b>Current assets</b>			
Stocks	15	30,449	30,163
Debtors	16	199,177	236,012
Cash at bank and in hand		1,579,105	1,649,356
		<u>1,808,731</u>	<u>1,915,531</u>
Creditors: amounts falling due within one year	17	(1,274,021)	(1,090,952)
<b>Net current assets</b>		<u>534,710</u>	<u>824,579</u>
<b>Total assets less current liabilities</b>		<u>5,257,607</u>	<u>4,687,769</u>
Creditors: amounts falling due after more than one year	18	(1,044,344)	(584,537)
<b>Total net assets</b>		<u><u>4,213,263</u></u>	<u><u>4,103,232</u></u>
<b>Charity funds</b>			
Restricted funds	20	1,498	235
Unrestricted funds	20	4,211,765	4,102,997
<b>Total funds</b>		<u><u>4,213,263</u></u>	<u><u>4,103,232</u></u>

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

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



**Mr J.M. Collard**  
 Chair of Governors  
 Date:

15/03/2024

The notes on pages 23 to 44 form part of these financial statements.

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:01072074

COMPANY STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	4,694,516	3,834,803
Investments	14	1	1
		<u>4,694,517</u>	<u>3,834,804</u>
<b>Current assets</b>			
Stocks	15	26,327	24,419
Debtors	16	332,898	450,594
Cash at bank and in hand		1,469,002	1,502,657
		<u>1,828,227</u>	<u>1,977,670</u>
Creditors: amounts falling due within one year	17	(1,206,761)	(1,050,151)
<b>Net current assets</b>		<u>621,466</u>	<u>927,519</u>
<b>Total assets less current liabilities</b>		<u>5,315,983</u>	<u>4,762,323</u>
Creditors: amounts falling due after more than one year	18	(1,044,344)	(584,537)
<b>Net assets excluding pension asset</b>		<u>4,271,639</u>	<u>4,177,786</u>
<b>Total net assets</b>		<u><u>4,271,639</u></u>	<u><u>4,177,786</u></u>
<b>Charity funds</b>			
Restricted funds	20	1,498	235
Unrestricted funds	20	4,270,141	4,177,551
<b>Total funds</b>		<u><u>4,271,639</u></u>	<u><u>4,177,786</u></u>

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

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



Mr J.M. Collard  
Chair of Governors  
Date:

15/08/2024

The notes on pages 23 to 44 form part of these financial statements.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2023**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>523,811</b>	581,991
<b>Cash flows from investing activities</b>		
Investment income	<b>11,196</b>	559
Purchase of tangible fixed assets	<b>(1,070,443)</b>	(272,083)
<b>Net cash used in investing activities</b>	<b>(1,059,247)</b>	<b>(271,524)</b>
<b>Cash flows from financing activities</b>		
Repayments of borrowing	<b>(131,613)</b>	(383,802)
Repayments of hire purchase loans	<b>(10,440)</b>	(10,013)
Interest paid on borrowings	<b>(42,762)</b>	(19,141)
Cash proceeds from new loan	<b>650,000</b>	-
<b>Net cash provided by/(used in) financing activities</b>	<b>465,185</b>	<b>(412,956)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(70,251)</b>	<b>(102,489)</b>
Cash and cash equivalents at the beginning of the year	<b>1,649,356</b>	1,751,845
<b>Cash and cash equivalents at the end of the year</b>	<b>1,579,105</b>	1,649,356

The notes on pages 23 to 44 form part of these financial statements

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**1. GENERAL INFORMATION**

The Downs School (Charlton House) Limited is a company limited by guarantee, incorporated in the United Kingdom and registered in England and Wales. The registered office is The Downs School, Charlton House, Wraxall, Bristol, BS48 1PF.

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

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

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

**2.2 COMPANY STATUS**

The Company is a company limited by guarantee. The members of the Company are the Governors named on Page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company.

**2.3 GOING CONCERN**

Having reviewed the cash balances and funding facilities available to the School together with the expected ongoing 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 and consider that there were no material uncertainties over the School's financial viability.

The challenging economic conditions indicate that our parents and prospective parents may be facing lower earnings or disposable income after tax from their businesses and employment income. The uncertainty arising in particular from political uncertainty may impact further the local economy. This is likely to lead to reduced demand on grounds of affordability in the medium-term. Pupil recruitment and numbers are strong for the 2023-24 academic year, and fee collections are good.

The School's management have prepared a detailed budget, including cash flow forecasts, for the 2023-24 and 2024-25 academic years, reflecting actual pupil numbers at September 2023. The Governors have reviewed these forecasts and noted the cash flow projections, including the School's ability to manage its costs in the light of any reduction in income. Stress tests have been run on income projections to determine the point at which the School would cease to have unrestricted cash reserves sufficient to maintain its activities.

Having considered these matters, the Governors do not believe there to be any material uncertainty, and they continue to adopt the going concern basis in preparing the financial statements.

**2. ACCOUNTING POLICIES (continued)**

**2.4 INCOME**

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

Fees receivable and similar income represent fees from ordinary activities and are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships, and other remissions granted by the School.

**2.5 EXPENDITURE**

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities and Governance costs are costs incurred on the Company's operations, including support costs and costs relating to the governance of the Company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**2.6 INTEREST RECEIVABLE**

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

**2.7 TAXATION**

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**2. ACCOUNTING POLICIES (continued)**

**2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION (CONTINUED)**

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

Depreciation is provided on the following bases:

Freehold property	- Over 75 years
Freehold improvements	- Over 50 or 25 years
Motor vehicles	- Over 4 years
Furniture and equipment	- Over 10 years
Computer equipment	- Over 4 to 6 years
Grounds maintenance machinery	- Over 10 years

**2.9 INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

**2.10 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**2.11 DEBTORS**

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

**2.12 CASH AT BANK AND IN HAND**

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

**2.13 LIABILITIES AND PROVISIONS**

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

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

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

**2. ACCOUNTING POLICIES (continued)**

**2.14 FINANCIAL INSTRUMENTS**

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

**2.15 FINANCE LEASES AND HIRE PURCHASE**

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

**2.16 PENSIONS**

The School operates three pension schemes.

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The School also operates two defined contribution pension schemes and the pension charge represents the amounts payable by the School to the schemes in respect of the year.

**2.17 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 Group 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 Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Operating lease commitments

The School has entered into leases for motor vehicles and equipment as a lessor and as a lessee it obtains use of the related assets. The classification of such leases as operating or finance lease requires the School to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

There are no critical accounting estimates.

**4. INCOME FROM DONATIONS AND LEGACIES**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
General Donations	1,700	-	<b>1,700</b>	942
The Downs School Association	-	8,969	<b>8,969</b>	8,773
	<u>1,700</u>	<u>8,969</u>	<u><b>10,669</b></u>	<u>9,715</u>
<b>TOTAL 2022</b>	<u>942</u>	<u>8,773</u>	<u>9,715</u>	

**5. INCOME FROM CHARITABLE ACTIVITIES**

	<b>2023 £</b>	<b>2022 £</b>
Gross fees receivable	<b>4,292,468</b>	4,021,129
Bursaries and scholarships	<b>(468,849)</b>	(514,182)
Income from rechargeable expenditure	<b>507,740</b>	394,815
Registration fees	<b>8,449</b>	7,300
	<u><b>4,339,808</b></u>	<u>3,909,062</u>

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings	27,340	<b>27,340</b>	23,892
Other income	17,142	<b>17,142</b>	6,189
Fundraising income	30,262	<b>30,262</b>	59,772
	<u>74,744</u>	<u><b>74,744</b></u>	<u>89,853</u>
TOTAL 2022	<u>89,853</u>	<u>89,853</u>	

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Nursery income	802,394	<b>802,394</b>	766,205
TOTAL 2022	<u>766,205</u>	<u>766,205</u>	

7. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Rental income	667	<b>667</b>	466
Bank interest	11,196	<b>11,196</b>	93
	<u>11,863</u>	<u><b>11,863</b></u>	<u>559</u>
TOTAL 2022	<u>559</u>	<u>559</u>	

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023

8. OTHER INCOMING RESOURCES

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
CJRS income	-	-	1,831
	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL 2022	<u>1,831</u>	<u>1,831</u>	

9. EXPENDITURE ON RAISING FUNDS

Expenditure on fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Fundraising expenditure	18,368	18,368	36,066
	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL 2022	<u>36,066</u>	<u>36,066</u>	

Expenditure from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Nursery cost of sales	87,619	87,619	74,362
Nursery administration expenses	86,354	86,354	72,540
Nursery cost of sales staff costs	450,160	450,160	356,672
Nursery administration staff costs	81,486	81,486	78,621
Nursery depreciation	4,186	4,186	17,278
	<u>709,805</u>	<u>709,805</u>	<u>599,473</u>
TOTAL 2022	<u>599,473</u>	<u>599,473</u>	

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Education	3,090,635	1,310,639	<b>4,401,274</b>	3,860,767
TOTAL 2022	2,760,188	1,100,579	3,860,767	

ANALYSIS OF DIRECT COSTS

	Education 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	2,201,487	<b>2,201,487</b>	1,990,472
Depreciation	83,269	<b>83,269</b>	89,441
Educational supplies	357,328	<b>357,328</b>	253,993
Household and welfare	16,253	<b>16,253</b>	14,053
Catering	367,770	<b>367,770</b>	356,382
Transport	64,528	<b>64,528</b>	55,847
	3,090,635	<b>3,090,635</b>	2,760,188

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS**

	<b>Education 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Staff costs	470,495	<b>470,495</b>	428,747
Depreciation	122,951	<b>122,951</b>	114,322
Educational supplies	54,306	<b>54,306</b>	39,926
Other costs	144,147	<b>144,147</b>	77,188
Premises costs	256,633	<b>256,633</b>	246,087
Grounds maintenance	37,072	<b>37,072</b>	44,687
Management expenses	98,845	<b>98,845</b>	88,663
Financing expenses	52,732	<b>52,732</b>	19,141
Legal and professional Governance	56,232 17,226	<b>56,232 17,226</b>	25,032 16,786
	<u>1,310,639</u>	<u><b>1,310,639</b></u>	<u>1,100,579</u>

**11. NET INCOME/EXPENDITURE**

	<b>2023 £</b>	<b>2022 £</b>
Depreciation of tangible fixed assets: - owned by the charitable group	<b>208,183</b>	221,041
Fees payable to the Company's auditor in respect of:		
Auditors' remuneration - audit	<b>13,750</b>	12,850
Auditors' remuneration - other services	<b>9,750</b>	5,965
Operating lease rentals	<b>15,442</b>	20,892

During the year, no Governors received any remuneration (2022: £NIL).

During the year, no Governors received any benefits in kind (2022: £NIL).

During the year, no Governors received any reimbursement of expenses (2022: £NIL).

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**12. STAFF COSTS**

	<b>Group 2023 £</b>	Group 2022 £	<b>Company 2023 £</b>	Company 2022 £
Wages and salaries	<b>2,718,948</b>	2,398,808	<b>2,225,005</b>	1,993,428
Social security costs	<b>225,520</b>	203,953	<b>198,951</b>	183,551
Employer contribution to pension schemes	<b>259,160</b>	251,751	<b>248,026</b>	242,240
	<b><u>3,203,628</u></b>	<u>2,854,512</u>	<b><u>2,671,982</u></b>	<u>2,419,219</u>

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

	<b>Group 2023 No.</b>	Group 2022 No.	<b>Company 2023 No.</b>	Company 2022 No.
Teaching staff	<b>57</b>	50	<b>57</b>	50
Administrative staff	<b>55</b>	56	<b>28</b>	29
	<b><u>112</u></b>	<u>106</u>	<b><u>85</u></b>	<u>79</u>

The average headcount expressed as full-time equivalents was:

	<b>Group 2023 No.</b>	Group 2022 No.	<b>Company 2023 No.</b>	Company 2022 No.
Teaching staff	<b>41</b>	35	<b>41</b>	35
Administrative staff	<b>41</b>	40	<b>20</b>	22
	<b><u>82</u></b>	<u>75</u>	<b><u>61</u></b>	<u>57</u>

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

	<b>Group 2023 No.</b>	Group 2022 No.
In the band £70,001 - £80,000	<b>1</b>	1
In the band £100,001 - £110,000	<b>1</b>	1

The key management personnel of the School comprises the Governors (who do not receive remuneration for their role as Governors) and the Senior Management Team. The total amount of employee benefits (including employer pension contributions and employer's national insurance) received by key management personnel for their services to the School was £350,058 (2022: £326,840).

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023

13. TANGIBLE FIXED ASSETS

GROUP

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2022	5,380,259	11,500	1,125,591	326,847	153,897	6,998,094
Additions	921,923	30,900	44,026	62,069	11,525	1,070,443
Disposals	-	-	(190)	(16,692)	-	(16,882)
At 31 August 2023	<u>6,302,182</u>	<u>42,400</u>	<u>1,169,427</u>	<u>372,224</u>	<u>165,422</u>	<u>8,051,655</u>
<b>DEPRECIATION</b>						
At 1 September 2022	1,934,914	10,800	840,411	268,061	80,718	3,134,904
Charge for the year	101,803	8,425	54,839	32,616	12,723	210,406
On disposals	-	-	(190)	(16,362)	-	(16,552)
At 31 August 2023	<u>2,036,717</u>	<u>19,225</u>	<u>895,060</u>	<u>284,315</u>	<u>93,441</u>	<u>3,328,758</u>
<b>NET BOOK VALUE</b>						
At 31 August 2023	<u>4,265,465</u>	<u>23,175</u>	<u>274,367</u>	<u>87,909</u>	<u>71,981</u>	<u>4,722,897</u>
At 31 August 2022	<u>3,445,345</u>	<u>700</u>	<u>285,180</u>	<u>58,786</u>	<u>73,179</u>	<u>3,863,190</u>

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023

13. TANGIBLE FIXED ASSETS (CONTINUED)

COMPANY

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2022	5,380,259	11,500	1,024,050	322,335	153,897	6,892,041
Additions	921,923	30,900	42,475	59,110	11,525	1,065,933
Disposals	-	-	-	(15,715)	-	(15,715)
At 31 August 2023	<u>6,302,182</u>	<u>42,400</u>	<u>1,066,525</u>	<u>365,730</u>	<u>165,422</u>	<u>7,942,259</u>
<b>DEPRECIATION</b>						
At 1 September 2022	1,934,914	10,800	766,228	264,578	80,718	3,057,238
Charge for the year	101,803	8,425	51,490	31,779	12,723	206,220
On disposals	-	-	-	(15,715)	-	(15,715)
At 31 August 2023	<u>2,036,717</u>	<u>19,225</u>	<u>817,718</u>	<u>280,642</u>	<u>93,441</u>	<u>3,247,743</u>
<b>NET BOOK VALUE</b>						
At 31 August 2023	<u>4,265,465</u>	<u>23,175</u>	<u>248,807</u>	<u>85,088</u>	<u>71,981</u>	<u>4,694,516</u>
At 31 August 2022	<u>3,445,345</u>	<u>700</u>	<u>257,822</u>	<u>57,757</u>	<u>73,179</u>	<u>3,834,803</u>

The net book value of assets held under finance leases or hire purchase contracts, included above are as follows: Other fixed assets £29,400 (2022: £35,520).

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**14. FIXED ASSET INVESTMENTS**

<b>COMPANY</b>	<b>Investments in subsidiary companies £</b>
<b>COST OR VALUATION</b>	
At 1 September 2022	1
AT 31 AUGUST 2023	<u>1</u>
<b>NET BOOK VALUE</b>	
AT 31 AUGUST 2023	<u>1</u>
AT 31 AUGUST 2022	<u>1</u>

**15. STOCKS**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Consumables	<u>30,449</u>	<u>30,163</u>	<u>26,327</u>	<u>24,419</u>

**16. DEBTORS**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
<b>DUE WITHIN ONE YEAR</b>				
Trade debtors	123,052	106,703	116,424	102,279
Amounts owed by Group undertakings	-	-	155,353	231,388
Prepayments and accrued income	76,125	129,309	61,121	116,927
	<u>199,177</u>	<u>236,012</u>	<u>332,898</u>	<u>450,594</u>

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank loans	188,794	135,594	188,794	135,594
Payments received on account	128,700	130,868	128,700	130,868
Trade creditors	147,598	136,971	131,794	120,461
Other taxation and social security	54,104	51,198	48,101	46,306
Obligations under finance lease and hire purchase contracts	5,380	10,440	5,380	10,440
Other creditors	68,825	64,801	51,909	49,213
Accruals and deferred income	680,620	561,080	652,083	557,269
	<u>1,274,021</u>	<u>1,090,952</u>	<u>1,206,761</u>	<u>1,050,151</u>
	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Deferred income at 1 September 2022	513,192	459,051	513,192	459,051
Resources deferred during the year	635,664	513,192	607,203	513,192
Amounts released from previous periods	(513,192)	(459,051)	(513,192)	(459,051)
	<u>635,664</u>	<u>513,192</u>	<u>607,203</u>	<u>513,192</u>

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Bank loans	<b>1,044,344</b>	579,157	<b>1,044,344</b>	579,157
Net obligations under finance lease and hire purchase contracts	-	5,380	-	5,380
	<u><b>1,044,344</b></u>	<u>584,537</u>	<u><b>1,044,344</b></u>	<u>584,537</u>

The School has three bank loans with Barclays Bank plc as at the year end, which are secured against freehold property.

The 2009 loan is repayable over 225 months and the balance outstanding at the year end was £529,135 (2022: £620,056).

The 2020 loan of £160,000 is repayable over 60 months with interest charged at a variable rate. The balance outstanding at the year end was £63,243 (2022: £94,695).

A new loan was taken out in 2023. The total borrowing was £650,000, repayable over 120 months on a five-year fixed interest rate. The balance outstanding at the year end was £640,760.

**19. FINANCIAL INSTRUMENTS**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
<b>FINANCIAL ASSETS</b>				
Financial assets measured at amortised cost	<u><b>1,716,496</b></u>	<u>1,770,124</u>	<u><b>1,748,824</b></u>	<u>1,850,389</u>
	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
<b>FINANCIAL LIABILITIES</b>				
Financial liabilities measured at amortised cost	<u><b>1,657,239</b></u>	<u>1,162,297</u>	<u><b>1,618,516</b></u>	<u>1,121,496</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors, amounts owed by group undertakings, accrued income and cash at bank and in hand.

Financial liabilities measured at amortised cost comprise payments on account, trade creditors, accruals, bank loans, other tax and social security and obligations under finance lease and hire purchase contracts.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**20. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 September 2022 £	Income £	Expenditure £	Balance at 31 August 2023 £
<b>UNRESTRICTED FUNDS</b>				
General Funds	4,157,583	4,396,215	(4,314,107)	4,239,691
The Downs School Association	19,968	39,169	(28,687)	30,450
Downs School Enterprises Limited	(74,554)	802,394	(786,216)	(58,376)
	<u>4,102,997</u>	<u>5,237,778</u>	<u>(5,129,010)</u>	<u>4,211,765</u>
<b>RESTRICTED FUNDS</b>				
Donations	235	1,700	(437)	1,498
	<u>4,103,232</u>	<u>5,239,478</u>	<u>(5,129,447)</u>	<u>4,213,263</u>

**UNRESTRICTED FUNDS**

During the year, parent contributions made to the Downs School Association (DSA) and fundraising amounted to £39,231 (2022: £68,545). The DSA is a Committee appointed by the Board comprising elected parents and senior staff who organise social events for the School community and raise funds for the purchase of equipment to benefit the children.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**20. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
<b>UNRESTRICTED FUNDS</b>				
General Funds	3,972,917	3,941,533	(3,756,867)	4,157,583
The Downs School Association	38,474	68,545	(87,051)	19,968
Downs School Enterprises Limited	(191,578)	766,205	(649,181)	(74,554)
	<u>3,819,813</u>	<u>4,776,283</u>	<u>(4,493,099)</u>	<u>4,102,997</u>
<b>RESTRICTED FUNDS</b>				
Donations	<u>2,500</u>	<u>942</u>	<u>(3,207)</u>	<u>235</u>
<b>TOTAL OF FUNDS</b>	<u><u>3,822,313</u></u>	<u><u>4,777,225</u></u>	<u><u>(4,496,306)</u></u>	<u><u>4,103,232</u></u>

**21. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	4,722,897	<b>4,722,897</b>
Current assets	1,498	1,813,527	<b>1,815,025</b>
Creditors due within one year	-	(1,280,315)	<b>(1,280,315)</b>
Creditors due in more than one year	-	(1,044,344)	<b>(1,044,344)</b>
<b>TOTAL</b>	<u><u>1,498</u></u>	<u><u>4,211,765</u></u>	<u><u>4,213,263</u></u>

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	3,863,190	3,863,190
Current assets	235	1,915,296	1,915,531
Creditors due within one year	-	(1,090,952)	(1,090,952)
Creditors due in more than one year	-	(584,537)	(584,537)
<b>TOTAL</b>	<b>235</b>	<b>4,102,997</b>	<b>4,103,232</b>

22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING  
ACTIVITIES

	Group 2023 £	Group 2022 £
Net income for the year (as per Statement of Financial Activities)	<b>110,031</b>	280,919
<b>ADJUSTMENTS FOR:</b>		
Depreciation charges	<b>210,406</b>	221,041
Interest income	<b>(11,196)</b>	(559)
Loss on the sale of fixed assets	<b>330</b>	11,209
Increase in stocks	<b>(286)</b>	(11,470)
Decrease/(increase) in debtors	<b>36,835</b>	(37,995)
Increase in creditors	<b>134,929</b>	99,705
Interest paid	<b>42,762</b>	19,141
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>523,811</b>	581,991

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2023 £	Group 2022 £
Cash in hand	<b>1,579,105</b>	1,649,356
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>1,579,105</b>	1,649,356

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022 £	Cash flows £	Cash inflows from net borrowings £	Repayment of borrowings £	Finance lease repayments £	At 31 August 2023 £
Cash at bank and in hand	1,649,356	(720,251)	650,000	-	-	1,579,105
Debt due within 1 year	(135,594)	-	-	(53,200)	-	(188,794)
Debt due after 1 year	(579,157)	-	-	(465,187)	-	(1,044,344)
Finance leases	(15,820)	-	-	-	10,440	(5,380)
	<u>918,785</u>	<u>(720,251)</u>	<u>650,000</u>	<u>(518,387)</u>	<u>10,440</u>	<u>340,587</u>

## **25. PENSION COMMITMENTS**

The Group's employees belong to three principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for teaching staff and two defined contribution schemes for teaching and non-teaching staff.

### **Defined Contribution Scheme**

The Group operates a defined contribution pension scheme (APTIS) for the majority of its teaching staff and a defined contribution scheme (The People's Pension) for its non-teaching staff and Nursery staff. The assets of these schemes are held separately from those of the Group in independently administered funds. The employer's pension costs paid to these defined contribution schemes in the period amounted to £210,292 (2022: £183,638) on a like-for-like basis, excluding APTIS 'salary sacrifice' element).

### **Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

### **Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury (HMT) every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the previous valuation as at 31 March 2016 which was effective for the year ended 31 August 2023 are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy).
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million.
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The 2020 valuation result is due to be implemented from 1 April 2024 and effective until 31 March 2027. The employer contribution rate for this period will be 28.68% of pensionable pay (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the year amounted to £37,735 (2022: £39,502).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>) for 2016 and [www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx](http://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx) for 2020.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group has set out above the information available on the scheme.

**26. CAPITAL COMMITMENTS**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>
<b>CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS</b>		
Acquisition of tangible fixed assets	<b>26,102</b>	-

**27. OPERATING LEASE COMMITMENTS**

At 31 August 2023 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Not later than 1 year	<b>15,607</b>	5,518	<b>15,607</b>	5,518
Later than 1 year and not later than 5 years	<b>25,930</b>	-	<b>25,930</b>	-
	<b>41,537</b>	5,518	<b>41,537</b>	5,518

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**28. RELATED PARTY TRANSACTIONS**

A number of Governors have children who are pupils at the School; the appropriate level of fees is levied in respect of these pupils.

Governors' children are assessed for bursaries and scholarships on the same basis as all other pupils on an arm's length basis. During the year, Governors received bursaries totalling £Nil (2022: £Nil).

Mr B Northover and Ms J. Oliver are members of Veale Wasbrough Vizards LLP. Veale Wasbrough Vizards LLP was appointed as the School's solicitors prior to Mr B Northover and Ms J. Oliver becoming Governors and therefore they were not involved in the decision making process. During the year Veale Wasbrough Vizards LLP was paid £19,992 (2022: £1,954) for legal services provided to the School. These transactions were made on a commercial basis. There was a balance outstanding at the year end of £418 (2022: £Nil).

Mr J.M. Collard is a director of Studio Hive Limited. During the year the School purchased advice and support in relation to planning applications and the swimming pool development from the company for £23,578 (2022: £9,803). These transactions were made on a commercial basis. There was a balance outstanding at the year end of £Nil (2022: £4,848).

At the year end the School had a debtor balance of £156,350 (2022: £231,388) with its subsidiary Downs School Enterprises Limited. Movement in the year related to intercompany recharges and loan interest. The School also received rent from Downs School Enterprises Limited of £42,900 (2022: £39,300) and loan interest of £12,511 (2022: £10,408).

**29. PRINCIPAL SUBSIDIARIES**

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity
Downs School Enterprises Limited	10801425	The Downs School, Charlton Drive, Wraxall, Bristol, BS48 1PF	Nursery
<b>Class of shares</b>	<b>Holding</b>	<b>Included in consolidation</b>	
Ordinary	100%	Yes	

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets / (Liabilities) £
Downs School Enterprises Limited	802,394	(786,216)	16,178	(58,375)

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**

England & Wales - Charity number 310279

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# Accounts

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Registered number: 01072074  
Charity number: 310279

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

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**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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<b>Governors</b>	Mr M.A. Burchfield, Chair (resigned 31 August 2022) Mrs H.M. Archer (resigned 31 March 2022) Mr C.R.G. Biggin Mr J.M. Collard Mr D.J. Ferris Mr J.A. Isaacs, (Chair from 1 September 2022) Mr T.P. Lloyd-Jones Mrs H. Mack Mr T.P. Matthews Mr B.J. Northover Mr T. O'Sullivan Mr T. Tainton (appointed 28 February 2022) Mrs R. Tear (resigned 31 August 2022) Dr R.S. Thomson Mrs R.E. Thornton Mr C.N.I. Tuttiett
<b>Company registered number</b>	01072074
<b>Charity registered number</b>	310279
<b>Registered office</b>	The Downs School Charlton House Wraxall Bristol BS48 1PF
<b>Company secretary</b>	Mr. J. Barclay
<b>Headteacher</b>	Mrs D. J. Isaachsen
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants 10 Temple Back Bristol BS1 6FL
<b>Bankers</b>	Barclays Bank plc 4th Floor, Bridgewater House Counterslip Finzels Reach Bristol BS1 6BX
<b>Solicitors</b>	Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

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The Governors present their annual report together with the audited financial statements of the Company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Governors' report and a directors' report under company law. The Governors confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 01 January 2019).

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

The Company is governed by its Memorandum and Articles of Association, last amended on 11 October 2013.

**Governing Body**

Governors are elected in accordance with the Company's Articles of Association and serve for a term of three years whereupon they are eligible for re-election. The Chair is appointed by the Board of Governors and serves for five years.

The Board acknowledges the need to recruit new members from time to time who can bring a broad range of professional knowledge and skill appropriate for effective governance. The Governors' Development Committee advises the Board on these needs, and identifies potential future members. Governors are recruited from the local business community, the School's own community and the region's educational establishments. Their membership is proposed and considered at Board meetings. Once appointed, they attend a formal induction at the School.

All Governors give freely of their time and no remuneration or expenses were paid in this year.

**STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)**

**Organisational Management**

The Board of Governors meet formally at least three times per annum, that is at least once in each academic term. A number of Committees are formed from the Governing Body and key management personnel. These Committees support the aim of monitoring the School's performance and activities against its objectives and determining its policies as set out in its Scheme of Governance. The majority of Committees met at least once in each academic term and provided a full Committee report to the Board.

**Finance Committee**

Mr T. P. Lloyd-Jones (Chair)  
Mr J. Barclay (appointed 01 September 2021)  
Mr C.R.G. Biggin  
Mr M.A. Burchfield (resigned 31 August 2022)  
Mr J. M. Collard  
Mrs D. Isaachsen  
Mrs H. Mack  
Mr P. Matthews  
Mr T. Tainton (appointed 28 February 2022)  
Mrs R.E. Thornton  
Mr C.N.I. Tuttiert

**Bursary Committee**

Mr T.P. Lloyd-Jones (Chair)  
Mr J. Barclay (appointed 01 September 2021)  
Mrs D. Isaachsen  
Mrs H. Mack  
Mrs R.E. Thornton

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**GOVERNORS' REPORT (CONTINUED)  
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Strategy Committee	Mr M.A. Burchfield (Chair) (resigned 31 August 2022) Mr J. Barclay (appointed 01 September 2021) Mr J.M. Collard Mr D.J. Ferris Mrs D. Isaachsen Mr J.A. Isaacs Mr B.J. Northover Mr T. Tainton (appointed 28 February 2022) Mr C.N.I. Tuttielt
Nursery Committee	Mr J. M. Collard (Chair) Mrs H.M. Archer (resigned 31 March 2022) Mr J. Barclay (appointed 01 September 2022) Mrs D. Isaachsen Mr M.A. Newman Dr R.S. Thomson Mrs R. E. Thornton
Remuneration Committee	Mrs R.E. Thornton (Chair) Mr J. Barclay (appointed 01 September 2022) Mr M.A. Burchfield (resigned 31 August 2022) Mrs D. Isaachsen
Education Committee	Mrs R. Tear (Chair) (resigned 31 August 2022) Mrs D. Isaachsen Mr T. O'Sullivan
Risk and Regulatory Committee	Mr B.J. Northover (Chair) Mrs H.M. Archer (resigned 31 March 2022) Mr J. Barclay (appointed 01 September 2021) Mrs D. Isaachsen Mrs R. Tear (resigned 31 August 2022) Dr. R.S. Thomson
Governors' Development Committee	Mr J.A. Isaacs (Chair) Mr M.A. Burchfield (resigned 31 August 2022) Mr D.J. Ferris (appointed 01 June 2022) Mrs D. Isaachsen Mr B.J. Northover
Health and Safety Committee	Mr J. Barclay (Chair) (appointed 01 September 2021) Mr J. M. Collard Mrs D. Isaachsen Mrs R.E. Thornton Mr C.N.I. Tuttielt
Downs School Association Committee	Mrs. C. Williams (Chair) (resigned 31 August 2022) Mrs K. Northover (Secretary) (resigned 31 August 2022) Mrs G. Hagger (Treasurer)

The day-to-day running of the School is delegated to the Headteacher and the Bursar, as key management personnel, via the Scheme of Governance. They are supported by other teaching members of the Senior Leadership Team being the Deputy Head Pastoral and Deputy Head Academic.

The remuneration of key management personnel is set by the Board, with the policy objective of ensuring that they are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the Company's success. Delivery of the

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Company's charitable vision and purpose is primarily dependent on the key management personnel and staff costs are the largest single element of our charitable expenditure.

**Principal Risks and Uncertainties**

The Board, supported by the Strategy and Finance Committees, reviews the School's current and planned future strategic activities in light of any major risks arising from time to time.

The School has a Risk Register where significant risks are monitored by the full Board and lower risks are delegated to appropriate Committees for consideration. Selected Committees also monitor and evaluate key policies and their implementation in order to effectively manage risk. These Committees report their findings to the Risk and Regulatory Committee which reports to the Board.

Risks are also mitigated by maintaining effective internal controls in all compliance and legislative matters, through the regular monitoring of these controls and insurance cover where appropriate.

The Board consider that the following factors present the most significant risks to the School.

**CUSTOMER AFFORDABILITY**

Noting the prevailing economic situation, the Board anticipates that some existing parents may struggle to continue to afford school fees. This may also increase caution in prospective parents considering an independent education and demand for places and therefore pupil numbers may be affected in the short to medium term. Applications for means-tested bursary support may increase, both for existing and prospective parents, not all of which can be supported by existing funds.

This potential downturn in the demand for independent education may be exacerbated by the rising costs of its provision.

**COST PRESSURES**

Recent cost increases and the future inflationary outlook create material risks to the cost base for staff costs and non-staff costs for the School. The school manages these input cost risks by entering into longer term contracts for some elements. The medium term outlook indicates a risk of a significant energy cost increase.

**LOSS OF TAX BENEFITS OF CHARITABLE STATUS**

The Board is considering the impact of the risk of increased costs outside the School's control including the threat of the loss of business rates relief to some registered charities and the Labour Party's aspiration to impose VAT on independent school fees.

**OTHER RISKS**

- In line with other schools, the School was significantly impacted by the COVID-19 pandemic through the 2021-22 academic year, including high numbers of COVID-related illnesses and absences, as well as further health control measures implemented around the School. Whilst the direct impacts of the pandemic have largely receded, there is a risk that a further resurgence will impair the School's ability to function effectively. The School previously put in place effective remote teaching and learning capabilities which, if required again, will help to mitigate the impacts of this.

Alongside this, we are continuing to see multiple requests for bursary support for families working in those sectors of the economy that are impacted.

The Governors note that external lettings income was impacted during the pandemic but appears to have bounced back, with strong on-going demand for use of the School's extensive facilities.

- The possible impact on pupil numbers from price competition from other local independent preparatory schools and from high-achieving state primary schools
- The possible impact on pupil numbers in Year 7 / Year 8 from increased competition from Bristol senior schools recruiting into these year groups

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- Loss of key personnel could affect the efficient operation of the School and its financial controls
- Continuing strong competition to recruit high quality teaching staff could impact on reputation and perceived quality of teaching
- An incident involving harm to a pupil could lead to severe reputational damage

The Governors and Senior Leadership Team have recognized these risks and continue to take the following action:

- Ensure that the School's reserves have been protected
- Make available short term fee support to existing families where possible and maintain close communication with parents in financial hardship
- Carefully scrutinize non-essential expenditure to ensure it remains appropriate and value for money
- Manage carefully the extent of bank-funded debt whilst ensuring on-going investment in the School's facilities
- Consider future structural options to mitigate potential government-driven tax and charity law changes
- Maintain open and clear communication with the parent body
- Engage actively with Headteachers and Admissions' Teams at Bristol senior schools to build constructive dialogue on available spaces for Year 9 entry
- Monitor DfE and NHS pandemic-related communications and respond accordingly for further pandemic impacts

In the view of the Board, the School has established resources which should ensure that these risks are managed to an acceptable level in its day-to-day operations. In the longer term, strategic planning and management aim to reduce the potential impact of risk factors.

**OBJECTS, PUBLIC BENEFIT AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

**Objects**

The object of the charitable company, in accordance with its Memorandum of Association, is to promote and provide for the advancement of education for boys and girls.

The main strategic priorities for the School are as follows:

1. Maintain and develop the "Platinum" proposition to our community at large whilst having the confidence to innovate and the wisdom and foresight to know where we stand in relation to the market and what risks and opportunities the future might hold.
2. Embrace and deliver on our purpose; to prepare young students for their life ahead in all its facets; including academia, the arts & sport and also across the much more fundamental core behavioural characteristics such as resilience, communication, confidence and team work.
3. Continue to provide a sense of community, familiarity and understanding, across all of our students, parents and stakeholders.
4. Safeguard every pupil and member of the School community and ensure that a safe and nurturing environment is always provided.
5. Ensure that our all-round proposition from Nursery level through to Year 8 is developmental to the students and compelling to the parent body.
6. Maintain a stable financial model whilst continually reviewing, researching and further developing new income streams to support financial stability and protect our independence.

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7. Maintain existing and continually improve upon the quality of the estate whilst fully leveraging our assets for the benefit of our students and community at large.
8. Employ a highly motivated and inspirational body of staff to take all pupils to the limits of their potential.
9. Have continuity of talented leadership and a clear succession plan.

**Principal activity and income sources**

The Company's principal activity continues to be the provision of a Day School for 4 – 13 year old boys and girls. The principal source of income is therefore from tuition fees and from related educational and extra-curricular activities. Other revenue is derived from the letting of facilities for sport, recreation, private parties and functions.

The Company's subsidiary, Downs School Enterprises Limited (DSEL), was established in June 2017 and opened its Nursery, 'Bertie's', in January 2018 providing year round day care and Pre-School facilities for children aged 6 months to 4 years. An extension to the Nursery chalet building was recently completed, providing additional capacity for the older Nursery children. The Nursery continues to trade at a surplus and is currently near capacity with waiting lists in each room. Some of this surplus income from the Nursery will be used to support and maintain the parent company and to boost the Group's reserves.

Recruitment of pupils from the Nursery to the School's Reception Year is strong and continues to grow in line with Nursery growth. The DSEL directors reviewed and revised the staffing structure and remuneration through the year, including a clearer career progression strategy, to support staff retention and further staff recruitment. The directors recognise the need to be highly selective in staff recruitment and the business will only grow as excellent staff can be selected to join the team.

**Grant-making and access-widening**

The School provided means-tested bursaries totaling £243,803 and was able to support 37 (2021: 41) pupils over the course of the year through its bursary scheme. Of these pupils, 14 received at least 50% support by way of fee remission. Fee assistance by way of bursaries accounted for 6.0% (2021: 7.71%) of gross tuition fee income. This recent reduction is partially attributable to a reduction in short term support for families in financial difficulty due to the pandemic.

The bursary policy contributes to a widening of access to the education on offer and the facilities enjoyed. It is important to the School that access is not restricted to those who can afford the fees. Bursaries are made on a means-tested assessment and reviewed annually. Application is available to potential and existing pupils at the School. Financial support up to 100% can be considered and, by exception, beyond this level up to 110% of fees for transformational bursaries.

Following the easing of pandemic-related restrictions, the School re-started supporting various organisations to use its sports facilities, grounds and other resources at little or no cost. The charity, Children's Hospice South West (CHSW), is located close to the School. CHSW from time to time uses the School's premises for fundraising events and meetings without charge. The School is actively looking to re-build further community links going forward, in particular when the swimming pool development has been completed.

The house system within the School facilitates charity fund raising days in order for each of the four houses to choose a charity and organise a themed day where the whole School participates. Guest speakers have attended to explain the objects of their charity and the impact on recipients of the funds raised. Despite limited opportunities for fundraising during the 2021-22 year, pupils and staff nevertheless raised £5,701 in the year, including for the Za Foundation and for the National Gardens Scheme charity.

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**REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR**

The School aims to provide an excellent academic experience with the highest standards of teaching and assessment. This is balanced with a broad curriculum and that embraces equally sport and the performing arts.

The Independent Schools Inspectorate (ISI) conducted a routine unannounced Regulatory Compliance Inspection (RCI) of The Downs School in June 2022. This comprised a week-long rigorous inspection of the eight elements of the inspection framework that apply to all independent schools, including safeguarding, and health & safety. The ISI report concluded that the School was fully compliant in all areas.

Academic

Pupils are prepared for the Common Entrance examinations at the end of Year 8. Many pupils will sit external examinations for their chosen senior school. This year our pupils achieved strong results and gained access to their first choice of senior school. Many pupils were awarded scholarships and this year was the first time we had a pupil awarded a DT scholarship. This year's leavers achieved the following:

All round	1 scholarship
Academic	6 scholarships
Sport	8 scholarships
Music	1 scholarship, 1 exhibition
Drama	2 scholarships
DT	1 scholarship

Performing Arts

As well as provision of Music, Drama and Dance, all pupils at The Downs also receive a weekly 40 minute session in the Performing Arts. In the Prep School the academic year was divided into three term-long projects:

- Term 1. Local artists research project and a performance. The children worked with artists, Shanty band 'The Longest Johns', 'The Dark Angels' dance group, comedian and children's entertainer, Nutty Noah, and performance poet, Spikey Tim. The term ended with a whole School performance of 'Scrambled Scrooge'. Each group project included virtual visits from the actors as well as in person visits to the School.
- Term 2. This was devoted to the technical side of performance. Children worked with resident experts on set design, sound and lighting, PR and Marketing and Green Screens.
- Term 3. This was devoted to working towards our Celebration Day performances of 'Shackleton', a piece devised by Heads of Drama, Dance and Performing Arts (PA) Coordinator.

The weekly sessions were also used as a rehearsal time for the Year Group plays and the senior play.

In the Pre Prep, the sessions were led by class teachers in Terms 1 and 2 and then by the PA Coordinator and Heads of Music, Drama and Dance for Term 3 for Celebration Day performances of 'Giraffes Can't Dance'.

**Music**

Music is very much valued at The Downs. It plays an important part in School life and pupils are encouraged to learn an instrument or take singing lessons. Weekly tuition is offered on numerous instruments by a visiting team of well-qualified and enthusiastic musicians.

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For the academic year 2021 - 2022, approximately 66% of Year 1 – 3 pupils had musical tuition on either an instrument or voice and approximately 72% of pupils in Years 4 – 8. Lessons usually take place during the normal school day.

We are proud of our 100% pass rates for our ABRSM and Trinity Music Examinations. During the last academic year, we achieved the following results:

- Prep Test examinations – 12 pupils successful.
- Pass – 49 pupils
- Merit – 35 pupils
- Distinction – 9 pupils

These results have also included several higher grade successes:

- Grade 4 – 6 pupils
- Grade 5 – 7 pupils
- Grade 6 – 2 pupils

In addition, we have four Year 8 pupils who have achieved their Grade 5 music theory with Merit passes.

We hold regular formal and informal music concerts at The Downs and parents are always warmly welcome to attend. There are several School music ensembles available including School Orchestra, The Downs Singers (auditioned choir), Year Group Choirs from Year 1 to 8, Soul Band and various Rock Bands.

The most advanced musicians are given every opportunity to develop their playing and singing. Pupils who show great musical potential and ability are supported in applying for music scholarships. These pupils must show exceptional ability on their first study instrument and also acquire reasonable performance skills on a second or possibly third instrument. Our latest music scholarship pupil was awarded a scholarship at Wells Cathedral School.

### **Drama**

During the academic year the children undertook nine performances:

- Reception & Yr 1 – The BIG little Nativity
- Year 2 – Dick Whittington
- Year 3 – Dragon
- Year 4 - Robin & The Sherwood Hoodies
- Year 5 – Aesop's Fable-ous Christmas Tree
- Year 6 – Macbeth
- Year 7 – Animal Farm
- Year 8 – End of School review
- Senior Production – Joseph and the Amazing Technicolor Dreamcoat

### *Speech and Drama*

The total number of Speech and Drama students from Reception to Year 8 was 121 during the year.

The pupils attend lessons in groups of 2, 4, and up to 8 for 30 minute lessons each week in the drama studio. We had two successful drama scholars moving onto their chosen senior schools (Blundells and Clifton College).

The pupils are encouraged to enter local Festivals through the year. In particular the Head of Drama arranged a Downs School Festival (in place of the cancelled Nailsea Festival) to which pupils from St Joseph's School, Portishead were invited to participate. With an outside adjudicator and parents supporting, it was a successful event. This was followed by the Bristol Festival in March 2022. Pupils from Year 2 to Year 8 competed and The Downs School won 8 of the 16 classes entered.

74 children from Year 2 to Year 8 took their Vanguard Speech and Drama exams in the summer term 2022 and again achieved a 100% pass rate with 22 gaining honours (achieving scores over 90%).

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Theatre trips and professional performances in School

Bristol Old Vic Theatre School performed twice in the School theatre – 'Nativity' for Pre Prep and 'Red Shoes', a play based on the tales of Hans Christian Anderson for the Prep.

The Senior Production cast attended a performance of 'A Christmas Carol' by Wells Cathedral School

Year 5 went to The Hippodrome to watch 'Billionaire' Boy by David Walliams

Year 4 went to Bristol Old Vic to watch 'Robin Hood'

**Dance**

Currently the Dance Department has 167 signed up for private dance lessons, ballet, tap, jazz, and hip hop. All private pupils were entered for BTDA dance exams in February 2022 with an external examiner, and a Dance Show was performed for parents in June 2022. There were many other performance opportunities throughout the year.

Sport

The Sports Department has enjoyed a successful year. Eight Year 8 pupils achieved sports scholarships to seven different schools. The U13 boys 1st VII hockey team qualified for the National IAPS hockey finals, U11 girls hockey won the IAPS Regional Plate competition, two girls qualified for the National IAPS Swimming Finals and one girl qualified for the National Athletics Finals.

Representational honours were achieved in hockey, rugby and cricket including Gloucestershire County U13 cricket selection and a Regional Hockey U15 player. In addition to a full fixture calendar, the children have enjoyed our inaugural Sports Week (with activities including skipping workshops, Parkour, leadership challenges), Santas on the Run, Park Runs, Big Bash Cricket and cricket masterclasses. A new PE curriculum focused around functional movement skills for Pre-Prep has been introduced with promising outcomes. The children have enjoyed the new outdoor cricket nets, which have proved to be a very popular resource. It was a great pleasure to see the return of The Downs Rugby Sevens and we are looking forward to the 50th Anniversary next year.

**Representational Honours**

**Hockey**

- U14 Avon Junior Development Centre (Local District) – seven pupils
- U14 Avon Junior Academy Centre (County) – five pupils
- U15 West Performance Centre - one pupil
- West Panthers U13 Cup Team – one pupil

**Rugby**

- Bristol Bears U13 Rugby Academy – five pupils

**Cricket**

- Gloucestershire County U13 – one pupil

**Sports Scholarships**

- Bristol Grammar School – two pupils
- Clifton High – one pupil
- Clifton College – three pupils
- King's College Taunton, Malvern College and Wells Cathedral School – one pupil
- Marlborough College – one pupil

**National Competitions**

- IAPS Boys Hockey National Finals (Plate Winners) 1st Boys
- Rosslyn Park National Sevens Rugby - 1st VII

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- IAPS National Swimming Finals – two pupils
- National Athletics Finals – one pupil

**Regional Competitions**

- 1st Girls ~ IAPS Regional Girls Hockey 5th / Severnside U13 Girls Hockey Runners Up
- U11 Girls ~ IAPS Regional Girls Hockey ~ Plate Winners

Pastoral

The Downs School continues to proactively support all Year Groups and staff with pastoral matters by providing a safe and happy place in which to work and learn, while promoting our values of Explore, Express, Excel, enabling pupils and staff to be the very best version of themselves.

This academic year took a particular strain as the School navigated its way out of the Covid pandemic. This brought significant fresh demands, many of which were very last minute and reactive challenges to shifting guidance.

**Staffing:**

With so much movement and uncertainty, both nationally and within the work place, the School looked to support both pupils and staff through a series of supportive measures:

- A Wellbeing Coordinator established to provide vital 1-2-1 and group work.
- Additional teacher brought onto payroll for September 2022 to ease the work load for staff

**Opening up again:**

- The introduction to mixed Year Group activities and events was encouraged as soon as was safe.
- The Downs School changed the dates of residential trips (Years 7&8 travelled to France later in the year to ensure the trip went ahead).
- Matches were re-introduced and the drive towards mixed cricket was a resounding success
- Use of our wonderful grounds and woodland was promoted.

**Addressing pastoral matters:**

- Pastoral matters were addressed in PSHE sessions; assemblies and through visiting speakers.

**Fundraising performance**

Donations and gifts in the year amounted to £9,715 (2021: £18,701).

Parents' regular termly donations to the Downs School Association ("DSA") amounted to £8,773, where the distribution of these funds is determined by an elected Committee that comprises parents and some staff and who report to the School's main Board of Governors. Other donations amounted to £942 for specific areas.

Downs School Association (DSA)

The DSA raise funds through events in which parents, pupils and staff participate. The team ran multiple successful fundraisers, with two Summer Fetes in the year due to pandemic rollovers, Fireworks night and the Summer party. The team have now also set up and run a well-established second hand uniform shop with donations contributed by parents. In the year, the DSA contributed to the cricket nets (£22,800), new playground markings and overhead sails in the Reception area (£8,000), Sports Week (£1,200) and Arts Week (£4,800), using funds raised both in the current year and through previous years.

**FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The operating surplus for the year amounted to £163,895 (2021: £231,804) for the School against an average number of pupils of 258 (2021: 248). The ongoing working capital requirements of the Nursery, operated by the subsidiary, Downs School Enterprises Limited, generated a profit for the subsidiary of £117,024 (2021: £92,477).

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**GOVERNORS' REPORT (CONTINUED)  
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Consolidated funds of the School and its subsidiary have therefore increased by £280,919 to £4,103,232 (2021: £3,822,313).

**RESERVES POLICY**

Total reserves are £4,103,232 (2021: £3,822,313), of which £3,863,190 (2021: £3,823,357) comprises fixed assets. This leaves £954,793 (2021: £1,097,509) as free reserves after taking into account loans secured on the fixed assets of the charity of £714,751 (2021: £1,098,553). This follows repayment of the CBILS loan in May 2022. Restricted funds amount to £235.

The level of reserves is considered sufficient for the immediate needs of the Group. The policy remains to build up free reserves to maintain the high standard of educational services currently provided including a regular programme of renewal of resources including IT, and to balance this with future capital expenditure requirements and the demands of maintaining the Group's extensive grounds and historic buildings.

**GOING CONCERN**

Having reviewed the funding facilities available to the School together with the expected ongoing 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 and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities below.

**Future Plans and Reserves**

The Board maintains its intent to continually reinvest in the infrastructure of the School to secure its future. The retention of good operating surpluses in recent years has provided cash reserves that have enabled the Board to invest and diversify and yet still hold significant contingent funds for any unforeseen requirements including changes in demand for working capital.

Focus in the forthcoming year is to develop the facilities on the School site for the benefit of present and future pupils and the wider community, in particular focusing on the development of the swimming pool to provide enclosed year-round use and integrated changing rooms.

**STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

The Governors (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Governors' 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 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 Group and the Company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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**GOVERNORS' REPORT (CONTINUED)  
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The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DISCLOSURE OF INFORMATION TO AUDITORS**

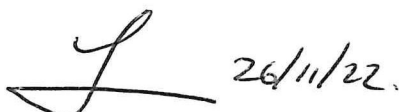
Each of the persons who are Governors at the time when this Governors' Report is approved has confirmed that:

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

**AUDITORS**

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Governors will propose a motion reappointing the auditors at a meeting of the Governors.

Approved by order of the members of the Board of Governors and signed on their behalf by:



**Mr J.A. Isaacs**  
Chair of Governors  
Date:

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**

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**OPINION**

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

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the School's affairs as at 31 August 2022 and of the Group's 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 and the Charities Act 2011.

**BASIS FOR OPINION**

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

**CONCLUSIONS RELATING TO GOING CONCERN**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the School'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 Governors with respect to going concern are described in the relevant sections of this report.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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**OTHER INFORMATION**

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

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

- the School has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the School's 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.

**RESPONSIBILITIES OF GOVERNORS**

As explained more fully in the Governors' responsibilities statement, the Governors (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 Governors 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 Group's and the School'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 Group or the School or to cease operations, or have no realistic alternative but to do so.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

- We have considered the nature of the sector, control environment and financial performance of the School;
- We have considered the results of enquiries with management and Governors, including the committees charged with governance over the School's finance and control, in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have considered any matters we identified having obtained and reviewed the School's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- We have considered the matters discussed among the audit engagement team and involving relevant internal independent schools specialists regarding how and where fraud might occur in the financial statements and any potential indications for fraud;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation;

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the School operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019 and FRS 102. In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the School's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- 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;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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- Reviewing committee meeting minutes;
- Enquiring of Governors and management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue with a particular focus around 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 business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve 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 School'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 School's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the School and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Joseph Scaife FCA DChA (Senior statutory auditor)**

for and on behalf of  
**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
10 Temple Back  
Bristol  
BS1 6FL

Date: 12/12/2022

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations and legacies	4	942	8,773	9,715	18,701
Charitable activities		-	3,909,062	3,909,062	3,369,689
Other trading activities	6	-	856,058	856,058	689,469
Investments	7	-	559	559	451
Other income	8	-	1,831	1,831	56,607
<b>Total income</b>		<b>942</b>	<b>4,776,283</b>	<b>4,777,225</b>	<b>4,134,917</b>
<b>Expenditure on:</b>					
Raising funds	9	-	635,539	635,539	529,519
Charitable activities		3,207	3,857,560	3,860,767	3,281,117
<b>Total expenditure</b>		<b>3,207</b>	<b>4,493,099</b>	<b>4,496,306</b>	<b>3,810,636</b>
<b>Net movement in funds</b>		<b>(2,265)</b>	<b>283,184</b>	<b>280,919</b>	<b>324,281</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		2,500	3,819,813	3,822,313	3,498,032
Net movement in funds		(2,265)	283,184	280,919	324,281
<b>Total funds carried forward</b>		<b>235</b>	<b>4,102,997</b>	<b>4,103,232</b>	<b>3,822,313</b>

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

The notes on pages 21 to 42 form part of these financial statements.


**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:01072074**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	13	3,863,190	3,823,357
		<u>3,863,190</u>	<u>3,823,357</u>
<b>Current assets</b>			
Stocks	15	30,163	18,693
Debtors	16	236,012	198,106
Cash at bank and in hand		1,649,356	1,751,845
		<u>1,915,531</u>	<u>1,968,644</u>
Creditors: amounts falling due within one year	17	(1,090,952)	(1,002,030)
<b>Net current assets</b>		<u>824,579</u>	<u>966,614</u>
<b>Total assets less current liabilities</b>		<u>4,687,769</u>	<u>4,789,971</u>
Creditors: amounts falling due after more than one year	18	(584,537)	(967,658)
<b>Total net assets</b>		<u><u>4,103,232</u></u>	<u><u>3,822,313</u></u>
<b>Charity funds</b>			
Restricted funds	20	235	2,500
Unrestricted funds	20	4,102,997	3,819,813
<b>Total funds</b>		<u><u>4,103,232</u></u>	<u><u>3,822,313</u></u>

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

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

 26/11/22

**Mr J.A. Isaacs**  
 Chair of Governors  
 Date:

The notes on pages 21 to 42 form part of these financial statements.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:01072074**

**COMPANY STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	13	3,834,803	3,792,457
Investments	14	1	1
		<u>3,834,804</u>	<u>3,792,458</u>
<b>Current assets</b>			
Stocks	15	24,419	17,417
Debtors	16	450,594	500,074
Cash at bank and in hand		1,502,657	1,635,051
		<u>1,977,670</u>	<u>2,152,542</u>
Creditors: amounts falling due within one year	17	(1,050,151)	(963,451)
<b>Net current assets</b>		<u>927,519</u>	<u>1,189,091</u>
<b>Total assets less current liabilities</b>		<u>4,762,323</u>	<u>4,981,549</u>
Creditors: amounts falling due after more than one year	18	(584,537)	(967,658)
<b>Total net assets</b>		<u><u>4,177,786</u></u>	<u><u>4,013,891</u></u>
<b>Charity funds</b>			
Restricted funds	20	235	2,500
Unrestricted funds	20	4,177,551	4,011,391
<b>Total funds</b>		<u><u>4,177,786</u></u>	<u><u>4,013,891</u></u>

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

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

 26/11/22.

**Mr J.A. Isaacs**  
Chair of Governors  
Date:

The notes on pages 21 to 42 form part of these financial statements.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2022**

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>581,991</b>	720,889
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	559	451
Proceeds from the sale of tangible fixed assets	-	1,776
Purchase of tangible fixed assets	<b>(272,083)</b>	(171,564)
Bank interest paid	<b>(3,779)</b>	(3,787)
<b>Net cash used in investing activities</b>	<b>(275,303)</b>	<b>(173,124)</b>
<b>Cash flows from financing activities</b>		
Cash inflows from new borrowing	-	250,000
Repayments of borrowing	<b>(383,802)</b>	(53,637)
Repayments of hire purchase loans	<b>(10,013)</b>	(11,311)
Interest paid on borrowings	<b>(15,362)</b>	(11,290)
<b>Net cash (used in)/provided by financing activities</b>	<b>(409,177)</b>	<b>173,762</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(102,489)</b>	<b>721,527</b>
Cash and cash equivalents at the beginning of the year	<b>1,751,845</b>	1,030,318
<b>Cash and cash equivalents at the end of the year</b>	<b>1,649,356</b>	1,751,845

The notes on pages 21 to 42 form part of these financial statements

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. GENERAL INFORMATION**

The Downs School (Charlton House) Limited is a company limited by guarantee, incorporated in the United Kingdom and registered in England and Wales. The registered office is The Downs School, Charlton House, Wraxall, Bristol, BS48 1PF.

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

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

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

**2.2 COMPANY STATUS**

The Company is a company limited by guarantee. The members of the Company are the Governors named on Page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company.

**2.3 GOING CONCERN**

The Governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. After making appropriate enquiries, the Governors have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

**2.4 INCOME**

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

Fees receivable and similar income represent fees from ordinary activities and are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships, and other remissions granted by the School.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**2. ACCOUNTING POLICIES (continued)**

**2.5 EXPENDITURE**

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities and Governance costs are costs incurred on the Company's operations, including support costs and costs relating to the governance of the Company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**2.6 INTEREST RECEIVABLE**

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

**2.7 TAXATION**

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**2. ACCOUNTING POLICIES (continued)**

**2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION (CONTINUED)**

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

Depreciation is provided on the following bases:

Freehold property	- Over 75 years
Freehold improvements	- Over 50 or 25 years
Motor vehicles	- Over 4 years
Furniture and equipment	- Over 10 years
Computer equipment	- Over 4 years
Grounds maintenance machinery	- Over 10 years

**2.9 INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

**2.10 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**2.11 DEBTORS**

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

**2.12 CASH AT BANK AND IN HAND**

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

**2.13 LIABILITIES AND PROVISIONS**

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

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

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

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**2. ACCOUNTING POLICIES (continued)**

**2.14 FINANCIAL INSTRUMENTS**

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

**2.15 FINANCE LEASES AND HIRE PURCHASE**

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

**2.16 PENSIONS**

The School operates three pension schemes.

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The School also operates two defined contribution pension schemes and the pension charge represents the amounts payable by the School to the schemes in respect of the year.

**2.17 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 Group 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 Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Operating lease commitments

The School has entered into leases for motor vehicles and equipment as a lessor and as a lessee it obtains use of the related assets. The classification of such leases as operating or finance lease requires the School to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

There are no critical accounting estimates.

**4. INCOME FROM DONATIONS AND LEGACIES**

	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
General Donations	942	-	<b>942</b>	10,421
The Downs School Association	-	8,773	<b>8,773</b>	8,280
	<u>942</u>	<u>8,773</u>	<u><b>9,715</b></u>	<u>18,701</u>
TOTAL 2021	<u>4,809</u>	<u>13,892</u>	<u>18,701</u>	

**5. INCOME FROM CHARITABLE ACTIVITIES**

	<b>2022 £</b>	<b>2021 £</b>
Gross fees receivable	<b>4,021,129</b>	3,648,968
Bursaries and scholarships	<b>(514,182)</b>	(521,899)
Income from rechargeable expenditure	<b>394,815</b>	236,320
Registration fees	<b>7,300</b>	6,300
	<u><b>3,909,062</b></u>	<u>3,369,689</u>

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Lettings	23,892	23,892	6,667
Other income	6,189	6,189	8,884
Fundraising income	59,772	59,772	11,924
	<u>89,853</u>	<u>89,853</u>	<u>27,475</u>
TOTAL 2021	<u>27,475</u>	<u>27,475</u>	

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Nursery income	766,205	766,205	661,994
	<u>661,994</u>	<u>661,994</u>	
TOTAL 2021	<u>661,994</u>	<u>661,994</u>	

7. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rental income	466	466	400
Bank interest	93	93	51
	<u>559</u>	<u>559</u>	<u>451</u>
TOTAL 2021	<u>451</u>	<u>451</u>	

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

8. OTHER INCOMING RESOURCES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
CJRS income	1,831	<b>1,831</b>	56,607
TOTAL 2021	<u>56,607</u>	<u>56,607</u>	

9. EXPENDITURE ON RAISING FUNDS

Expenditure on fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fundraising expenditure	36,066	<b>36,066</b>	7,602
TOTAL 2021	<u>7,602</u>	<u>7,602</u>	

Expenditure from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Nursery cost of sales	74,362	<b>74,362</b>	59,509
Nursery administration expenses	72,540	<b>72,540</b>	56,477
Interest payable	-	-	100
Nursery cost of sales staff costs	356,672	<b>356,672</b>	307,572
Nursery administration staff costs	78,621	<b>78,621</b>	82,170
Nursery depreciation	17,278	<b>17,278</b>	16,089
	<u>599,473</u>	<u>599,473</u>	<u>521,917</u>
TOTAL 2021	<u>521,917</u>	<u>521,917</u>	

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS  
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10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Education	2,760,188	1,100,579	3,860,767	3,281,117
TOTAL 2021	2,416,501	864,616	3,281,117	

ANALYSIS OF DIRECT COSTS

	Education 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	1,990,472	1,990,472	1,873,002
Depreciation	89,441	89,441	90,565
Educational supplies	253,993	253,993	141,532
Household and welfare	14,053	14,053	9,990
Catering	356,382	356,382	257,905
Transport	55,847	55,847	43,507
	2,760,188	2,760,188	2,416,501

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS**

	<b>Education 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Staff costs	428,747	<b>428,747</b>	336,868
Depreciation	114,322	<b>114,322</b>	109,036
Educational supplies	39,926	<b>39,926</b>	29,773
Other costs	77,188	<b>77,188</b>	39,765
Premises costs	246,087	<b>246,087</b>	184,274
Grounds maintenance	44,687	<b>44,687</b>	25,223
Management expenses	88,663	<b>88,663</b>	99,258
Financing expenses	19,141	<b>19,141</b>	17,133
Legal and professional	25,032	<b>25,032</b>	10,427
Governance	16,786	<b>16,786</b>	12,859
	<u>1,100,579</u>	<u><b>1,100,579</b></u>	<u>864,616</u>

**11. NET INCOME/EXPENDITURE**

	<b>2022 £</b>	<b>2021 £</b>
Depreciation of tangible fixed assets: - owned by the charitable group	<b>221,041</b>	215,690
Fees payable to the Company's auditor in respect of:		
Auditors' remuneration - audit	<b>12,850</b>	12,050
Auditors' remuneration - other services	<b>5,965</b>	410
Operating lease rentals	<b>20,892</b>	27,720

During the year, no Governors received any remuneration (2021: £NIL).

During the year, no Governors received any benefits in kind (2021: £NIL).

During the year, no Governors received any reimbursement of expenses (2021: £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS  
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**12. STAFF COSTS**

	<b>Group 2022 £</b>	Group 2021 £	<b>Company 2022 £</b>	Company 2021 £
Wages and salaries	<b>2,398,808</b>	2,161,479	<b>1,993,428</b>	1,799,761
Social security costs	<b>203,953</b>	182,822	<b>183,551</b>	163,851
Employer contribution to pension schemes	<b>251,751</b>	255,311	<b>242,240</b>	246,258
	<b><u>2,854,512</u></b>	<u>2,599,612</u>	<b><u>2,419,219</u></b>	<u>2,209,870</u>

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

	<b>Group 2022 No.</b>	Group 2021 No.	<b>Company 2022 No.</b>	Company 2021 No.
Teaching staff	<b>50</b>	50	<b>50</b>	50
Administrative staff	<b>56</b>	49	<b>29</b>	27
	<b><u>106</u></b>	<u>99</u>	<b><u>79</u></b>	<u>77</u>

The average headcount expressed as full-time equivalents was:

	<b>Group 2022 No.</b>	Group 2021 No.	<b>Company 2022 No.</b>	Company 2021 No.
Teaching staff	<b>35</b>	37	<b>35</b>	37
Administrative staff	<b>40</b>	39	<b>22</b>	21
	<b><u>75</u></b>	<u>76</u>	<b><u>57</u></b>	<u>58</u>

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

	<b>Group 2022 No.</b>	Group 2021 No.
In the band £70,001 - £80,000	<b>1</b>	-
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	<b>1</b>	-

The key management personnel of the School comprises the Governors (who do not receive remuneration for their role as Governors) and the Senior Management Team. The total amount of employee benefits (including employer pension contributions and employer's national insurance) received by key management personnel for their services to the School was £326,840 (2021: £304,856).

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**13. TANGIBLE FIXED ASSETS**

**GROUP**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2021	5,266,740	11,900	1,057,571	289,443	188,366	6,814,020
Additions	113,519	-	82,671	39,604	36,289	272,083
Disposals	-	(400)	(14,651)	(2,200)	(70,758)	(88,009)
At 31 August 2022	<u>5,380,259</u>	<u>11,500</u>	<u>1,125,591</u>	<u>326,847</u>	<u>153,897</u>	<u>6,998,094</u>
<b>DEPRECIATION</b>						
At 1 September 2021	1,833,441	10,500	778,540	236,594	131,588	2,990,663
Charge for the year	101,473	700	73,606	33,113	12,149	221,041
On disposals	-	(400)	(11,735)	(1,646)	(63,019)	(76,800)
At 31 August 2022	<u>1,934,914</u>	<u>10,800</u>	<u>840,411</u>	<u>268,061</u>	<u>80,718</u>	<u>3,134,904</u>
<b>NET BOOK VALUE</b>						
At 31 August 2022	<u><u>3,445,345</u></u>	<u><u>700</u></u>	<u><u>285,180</u></u>	<u><u>58,786</u></u>	<u><u>73,179</u></u>	<u><u>3,863,190</u></u>
At 31 August 2021	<u><u>3,433,299</u></u>	<u><u>1,400</u></u>	<u><u>279,031</u></u>	<u><u>52,849</u></u>	<u><u>56,778</u></u>	<u><u>3,823,357</u></u>

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**13. TANGIBLE FIXED ASSETS (CONTINUED)**

**COMPANY**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2021	5,266,740	11,900	970,795	284,931	188,366	6,722,732
Additions	113,519	-	67,906	39,604	36,289	257,318
Disposals	-	(400)	(14,651)	(2,200)	(70,758)	(88,009)
At 31 August 2022	<u>5,380,259</u>	<u>11,500</u>	<u>1,024,050</u>	<u>322,335</u>	<u>153,897</u>	<u>6,892,041</u>
<b>DEPRECIATION</b>						
At 1 September 2021	1,833,441	10,500	721,123	233,623	131,588	2,930,275
Charge for the year	101,473	700	56,840	32,601	12,149	203,763
On disposals	-	(400)	(11,735)	(1,646)	(63,019)	(76,800)
At 31 August 2022	<u>1,934,914</u>	<u>10,800</u>	<u>766,228</u>	<u>264,578</u>	<u>80,718</u>	<u>3,057,238</u>
<b>NET BOOK VALUE</b>						
At 31 August 2022	<u><u>3,445,345</u></u>	<u><u>700</u></u>	<u><u>257,822</u></u>	<u><u>57,757</u></u>	<u><u>73,179</u></u>	<u><u>3,834,803</u></u>
At 31 August 2021	<u><u>3,433,299</u></u>	<u><u>1,400</u></u>	<u><u>249,672</u></u>	<u><u>51,308</u></u>	<u><u>56,778</u></u>	<u><u>3,792,457</u></u>

The net book value of assets held under finance leases or hire purchase contracts, included above are as follows: Other fixed assets £35,520 (2021: £41,160).

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**14. FIXED ASSET INVESTMENTS**

<b>COMPANY</b>	<b>Investments in subsidiary companies £</b>
<b>COST OR VALUATION</b>	
At 1 September 2021	1
AT 31 AUGUST 2022	<u>1</u>
<b>NET BOOK VALUE</b>	
AT 31 AUGUST 2022	<u>1</u>
AT 31 AUGUST 2021	<u>1</u>

**15. STOCKS**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Consumables	<u>30,163</u>	<u>18,693</u>	<u>24,419</u>	<u>17,417</u>

**16. DEBTORS**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
<b>DUE WITHIN ONE YEAR</b>				
Trade debtors	106,703	122,770	102,279	114,228
Amounts owed by Group undertakings	-	-	231,388	318,290
Other debtors	-	198	-	198
Prepayments and accrued income	129,309	75,138	116,927	67,358
	<u>236,012</u>	<u>198,106</u>	<u>450,594</u>	<u>500,074</u>

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Bank loans	<b>135,594</b>	146,715	<b>135,594</b>	146,715
Payments received on account	<b>130,868</b>	142,945	<b>130,868</b>	142,945
Trade creditors	<b>136,971</b>	83,312	<b>120,461</b>	72,356
Other taxation and social security	<b>51,198</b>	50,670	<b>46,306</b>	44,676
Obligations under finance lease and hire purchase contracts	<b>10,440</b>	10,013	<b>10,440</b>	10,013
Other creditors	<b>64,801</b>	69,691	<b>49,213</b>	53,108
Accruals and deferred income	<b>561,080</b>	498,684	<b>557,269</b>	493,638
	<b>1,090,952</b>	1,002,030	<b>1,050,151</b>	963,451
	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Deferred income at 1 September 2021	<b>459,051</b>	311,770	<b>459,051</b>	311,770
Resources deferred during the year	<b>513,192</b>	459,051	<b>513,192</b>	459,051
Amounts released from previous periods	<b>(459,051)</b>	(311,770)	<b>(459,051)</b>	(311,770)
	<b>513,192</b>	459,051	<b>513,192</b>	459,051

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Bank loans	<b>579,157</b>	951,838	<b>579,157</b>	951,838
Net obligations under finance lease and hire purchase contracts	<b>5,380</b>	15,820	<b>5,380</b>	15,820
	<b><u>584,537</u></b>	<u>967,658</u>	<b><u>584,537</u></b>	<u>967,658</u>

The School has two bank loans with Barclays Bank plc which are secured against freehold property.

The 2009 loan is repayable over 225 months and the balance outstanding at the year end was £620,056 (2021: £722,563).

The 2020 loan of £160,000 is repayable over 60 months with interest charged at a variable rate. The balance outstanding at the year end was £94,695 (2021: £125,990).

The 2021 CBILS loan of £250,000 was fully repaid during the year. Therefore, the balance outstanding at the year end was £Nil (2021: £250,000).

**19. FINANCIAL INSTRUMENTS**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
<b>FINANCIAL ASSETS</b>				
Financial assets measured at amortised cost	<b><u>1,770,124</u></b>	<u>1,882,238</u>	<b><u>1,850,389</u></b>	<u>2,075,192</u>
	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
<b>FINANCIAL LIABILITIES</b>				
Financial liabilities measured at amortised cost	<b><u>1,162,297</u></b>	<u>1,510,637</u>	<b><u>1,121,496</u></b>	<u>1,472,058</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors, amounts owed by group undertakings, accrued income and cash at bank and in hand.

Financial liabilities measured at amortised cost comprise payments on account, trade creditors, accruals, bank loans, other tax and social security and obligations under finance lease and hire purchase contracts.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
<b>UNRESTRICTED FUNDS</b>				
General Funds	3,972,917	3,941,533	(3,756,867)	4,157,583
The Downs School Association	38,474	68,545	(87,051)	19,968
Downs School Enterprises Limited	(191,578)	766,205	(649,181)	(74,554)
	<u>3,819,813</u>	<u>4,776,283</u>	<u>(4,493,099)</u>	<u>4,102,997</u>
<b>RESTRICTED FUNDS</b>				
Donations	<u>2,500</u>	<u>942</u>	<u>(3,207)</u>	<u>235</u>
<b>TOTAL OF FUNDS</b>	<u><u>3,822,313</u></u>	<u><u>4,777,225</u></u>	<u><u>(4,496,306)</u></u>	<u><u>4,103,232</u></u>

**UNRESTRICTED FUNDS**

During the year, parent contributions made to the Downs School Association (DSA) and fundraising amounted to £68,545 (2021: £20,204). The DSA is a Committee appointed by the Board comprising elected parents and senior staff who organise social events for the School community and raise funds for the purchase of equipment to benefit the children.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
<b>UNRESTRICTED FUNDS</b>				
General Funds	3,751,975	3,447,910	(3,226,968)	3,972,917
The Downs School Association	30,112	20,204	(11,842)	38,474
Downs School Enterprises Limited	(284,055)	661,994	(569,517)	(191,578)
	<u>3,498,032</u>	<u>4,130,108</u>	<u>(3,808,327)</u>	<u>3,819,813</u>
<b>RESTRICTED FUNDS</b>				
Donations	-	3,156	(656)	2,500
Bursary	-	1,653	(1,653)	-
	<u>-</u>	<u>4,809</u>	<u>(2,309)</u>	<u>2,500</u>
<b>TOTAL OF FUNDS</b>	<u><u>3,498,032</u></u>	<u><u>4,134,917</u></u>	<u><u>(3,810,636)</u></u>	<u><u>3,822,313</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**21. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	3,863,190	<b>3,863,190</b>
Current assets	235	1,915,296	<b>1,915,531</b>
Creditors due within one year	-	(1,090,952)	<b>(1,090,952)</b>
Creditors due in more than one year	-	(584,537)	<b>(584,537)</b>
<b>TOTAL</b>	<u>235</u>	<u>4,102,997</u>	<u><b>4,103,232</b></u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	3,823,357	3,823,357
Current assets	2,500	1,966,144	1,968,644
Creditors due within one year	-	(1,002,030)	(1,002,030)
Creditors due in more than one year	-	(967,658)	(967,658)
<b>TOTAL</b>	<u>2,500</u>	<u>3,819,813</u>	<u>3,822,313</u>

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS  
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22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	280,919	324,281
<b>ADJUSTMENTS FOR:</b>		
Depreciation charges	221,041	215,690
Dividends, interests and rents from investments	(559)	(451)
Loss/(profit) on the sale of fixed assets	11,209	(888)
Decrease/(increase) in stocks	(11,470)	243
Increase in debtors	(37,995)	(7,344)
Increase in creditors	99,705	174,281
Interest paid	19,141	15,077
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>581,991</b>	<b>720,889</b>

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2022 £	Group 2021 £
Cash in hand	1,649,356	1,751,845
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>1,649,356</b>	<b>1,751,845</b>

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2021 £	Cash flows £	Repayment of borrowings £	Finance lease repayments £	At 31 August 2022 £
Cash at bank and in hand	1,751,845	(102,489)	-	-	1,649,356
Debt due within 1 year	(146,715)	-	11,121	-	(135,594)
Debt due after 1 year	(951,838)	-	372,681	-	(579,157)
Finance leases	(25,833)	-	-	10,013	(15,820)
	<b>627,459</b>	<b>(102,489)</b>	<b>383,802</b>	<b>10,013</b>	<b>918,785</b>

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**25. PENSION COMMITMENTS**

The Group's employees belong to three principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for teaching staff and two defined contribution schemes for teaching and non-teaching staff.

**Defined Contribution Scheme**

The Group operates a defined contribution pension scheme (APTIS) for the majority of its teaching staff and a defined contribution scheme (The People's Pension) for its non-teaching staff and Nursery staff. The assets of these schemes are held separately from those of the Group in independently administered funds. The employer's pension costs paid to these defined contribution schemes in the period amounted to £183,638 (2021: £182,511) on a like-for-like basis, excluding APTIS 'salary sacrifice' element).

**Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury (HMT) every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £39,502 (2021 - £39,831).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group has set out above the information available on the scheme.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**26. OPERATING LEASE COMMITMENTS**

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

	<b>Group 2022 £</b>	Group 2021 £	<b>Company 2022 £</b>	Company 2021 £
Not later than 1 year	<b>5,518</b>	20,892	<b>5,518</b>	20,892
Later than 1 year and not later than 5 years	-	5,518	-	5,518
	<b>5,518</b>	26,410	<b>5,518</b>	26,410

**27. RELATED PARTY TRANSACTIONS**

A number of Governors have children who are pupils at the School; the appropriate level of fees is levied in respect of these pupils.

Governors' children are assessed for bursaries and scholarships on the same basis as all other pupils on an arm's length basis. During the year, Governors received bursaries totalling £Nil (2021: £Nil).

Mr B Northover is a member of Veale Wasbrough Vizards LLP. Veale Wasbrough Vizards LLP was appointed as the School's solicitors prior to Mr Northover becoming a Governor and therefore he was not involved in the decision making process. During the year Veale Wasbrough Vizards LLP was paid £1,954 (2021: £1,444) for legal services provided to the School. These transactions were made on a commercial basis.

Mr J.M. Collard is a director of Studio Hive Limited. During the year the School purchased advice and support in relation to planning applications from the company for £9,803 (2021: £Nil). These transactions were made on a commercial basis. There was a balance outstanding at the year end of £4,848 (2021: £Nil).

At the year end the School had a debtor balance of £231,388 (2021: £318,290) with its subsidiary Downs School Enterprises Limited. Movement in the year related to intercompany recharges and loan interest. The School also received rent from Downs School Enterprises Limited of £39,300 (2021: £37,500) and loan interest of £10,408 (2021: £10,200).

**28. PRINCIPAL SUBSIDIARIES**

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity
Downs School Enterprises Limited	10801425	The Downs School, Charlton Drive, Wraxall, Bristol, BS48 1PF	Nursery

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**28. PRINCIPAL SUBSIDIARIES (CONTINUED)**

<b>Class of shares</b>	<b>Holding</b>	<b>Included in consolidation</b>
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Ordinary	100%	Yes
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The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss) / Surplus/ (Deficit) for the year £</b>	<b>Net assets / (Liabilities) £</b>
Downs School Enterprises Limited	766,205	(649,181)	117,024	(74,553)

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**

England & Wales - Charity number 310279

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# Accounts

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Registered number: 01072074  
Charity number: 310279

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

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**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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<b>Governors</b>	Mr M.A. Burchfield, Chair Mrs H.M. Archer Mr C.R.G. Biggin Mr J.M. Collard Mr D.J. Ferris Mr J.A. Isaacs Mr T.P. Lloyd-Jones Mrs H. Mack Mr T.P. Matthews (appointed 26 June 2021) Mr B.J. Northover Mr T O'Sullivan (appointed 21 November 2020) Mrs R. Tear Dr R.S. Thomson Mrs R.E. Thornton Mr C.N.I. Tuttiett
<b>Company registered number</b>	01072074
<b>Charity registered number</b>	310279
<b>Registered office</b>	The Downs School Charlton House Wraxall Bristol BS48 1PF
<b>Company secretary</b>	Mrs H. L. Walker (to 31 July 2021) Mr. J. Barclay (from 1 August 2021)
<b>Headteacher</b>	Mrs D. J. Isaachsen
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants 10 Temple Back Bristol BS1 6FL
<b>Bankers</b>	Barclays Bank plc 4th Floor, Bridgewater House Counterslip Finzels Reach Bristol BS1 6BX
<b>Solicitors</b>	Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

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The Board of Governors presents its annual report and audited financial statements for the year ended 31 August 2021 and confirms that it complies with the requirements of the Companies Act 2006 and the Charities Act 2011, the Company's Articles of Association and the Charities SORP (FRS 102) 2019. The annual report serves the purpose of both a Governor's Report and a Directors' Report under company law.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

The Company is governed by its Memorandum and Articles of Association, last amended on 11th October 2013.

**Governing Body**

Governors are elected in accordance with the Company's Articles of Association and serve for a term of three years whereupon they are eligible for re-election. The Chair is appointed by the Board of Governors and serves for five years.

The Board acknowledges the need to recruit new members from time to time who can bring a broad range of professional knowledge and skill appropriate for effective governance. The Governors' Development Committee advises the Board on these needs, and identifies potential future members. Governors are recruited from the local business community, the School's own community and the region's educational establishments. Their membership is proposed and considered at Board meetings. Once appointed, they attend a formal induction at the School.

All Governors give freely of their time and no remuneration or expenses were paid in this year.

**Organisational Management**

The Board of Governors meet formally at least three times per annum, that is at least once in each academic term. A number of Committees are formed from the Governing Body and key management personnel. These Committees support the aim of monitoring the School's performance and activities against its objectives and determining its policies as set out in its Scheme of Governance. The majority of Committees met at least once in each academic term and provide a full Committee report to the Board.

**Finance Committee**

Mr T. P. Lloyd-Jones (Chair)  
Mr C.R.G. Biggin  
Mr M. A. Burchfield  
Mr J.M. Collard  
Mrs D. Isaachsen  
Mrs H. Mack  
Mr T.P. Matthews (appointed 26 June 2021)  
Mrs R.E. Thornton  
Mr C.N.I. Tuttiett  
Mrs H.L. Walker (resigned 31 July 2021)

**Bursary Committee**

Mr T.P. Lloyd-Jones (Chair)  
Mrs D. Isaachsen  
Mrs H. Mack  
Mrs R.E. Thornton  
Mrs H. L. Walker (resigned 31 July 2021)

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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Strategy Committee	Mr M.A. Burchfield (Chair) Mr J.M. Collard Mr D.J. Ferris Mrs D. Isaachsen Mr J.A. Isaacs Mr C.N.I. Tuttiett Mr B.J. Northover Mrs H.L. Walker (resigned 31 July 2021)
Nursery Committee	Mr J. M. Collard (Chair) Mrs H. M. Archer Mrs D. Isaachsen Mr M. A. Newman Dr R. S. Thomson Mrs R. E. Thornton Mrs H. L. Walker (resigned 31 July 2021)
Remuneration Committee	Mrs R. E. Thornton (Chair) Mr M. A. Burchfield Mrs D. Isaachsen Mrs H.L. Walker (resigned 31 July 2021)
Education Committee	Mrs R. Tear (Chair) Mrs D. Isaachsen Mr T. O'Sullivan (appointed 21 November 2020)
Risk and Regulatory Committee	Mr B.J. Northover (Chair) Mrs H.M. Archer Mrs D. Isaachsen Mrs R. Tear Dr. R. S. Thomson Mrs H.L. Walker (resigned 31 July 2021)
Governors' Development Committee	Mr J.A. Isaacs (Chair) Mr M. A. Burchfield Mrs D. Isaachsen Mr B.J. Northover
Health and Safety Committee	Mrs H.L. Walker (Chair) (resigned 31 July 2021) Mr P.A. Brockwell Mr J. M. Collard Mrs D. Isaachsen Mrs R.E. Thornton Mr C.N.I. Tuttiett
Downs School Association Committee	Mrs. C. Williams (Chair) Mrs K. Northover (Secretary) Mrs G. Hagger (Treasurer)

Mrs Debbie Isaachsen took over the role of Headteacher from September 2020, following the retirement of Marcus Gunn. Towards the end of the 2020-21 academic year, the Bursar, Mrs Helen Walker, retired from her post and was succeeded by Mr Jonathan Barclay, including an extended transition period.

The day-to-day running of the School is delegated to the Headteacher and the Bursar, as key management personnel, via the Scheme of Governance. They are supported by other teaching members of the Senior Leadership Team being the Assistant Heads of the School.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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The remuneration of key management personnel is set by the Board, with the policy objective of ensuring that they are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the Company's success. Delivery of the Company's charitable vision and purpose is primarily dependent on the key management personnel and staff costs are the largest single element of our charitable expenditure.

**Principal Risks and Uncertainties**

The Board, supported by the Strategy and Finance Committees, reviews the School's current and planned future strategic activities in light of any major risks arising from time to time.

The School has a Risk Register where significant risks are monitored by the full Board and lower risks are delegated to appropriate Committees for consideration. Selected Committees also monitor and evaluate key policies and their implementation in order to effectively manage risk. These Committees report their findings to the Risk and Regulatory Committee which reports to the Board.

Risks are also mitigated by maintaining effective internal controls in all compliance and legislative matters, through the regular monitoring of these controls and insurance cover where appropriate.

The Board consider that the following factors present the most significant risks to the School.

**COVID-19 PANDEMIC**

The on-going pandemic continues to have an impact on the School. The short-notice lockdown in January – March 2021 resulted in moving again to online learning for most children alongside on-site support for the children of critical workers. This transition to online learning was completed effectively, building on the experience from the previous lockdown in the Summer Term 2020.

In view of the full premises closure during the majority of the Spring Term 2021 (and therefore the reduction in access to the broad educational provision provided by the Downs) the Governors responded to market expectations that a reduction in fees should be effected for the part of the Spring Term that was disrupted. This was applied as a discount to the Summer Term 2021 fees and reflected the extent of savings that could be made. The School was able to access the Coronavirus Job Retention Scheme (CJRS) in order to protect the employment of those staff whose services could not be employed during this further lockdown period. The grant received for furloughed staff reduced the call on financial reserves held for future plans for investment in the School.

Pupils in all year groups were able to return to on-site teaching from 8 March 2021 for the remainder of the term. Following this return, additional control measures have continued in School, based on thorough risk assessments that were undertaken in line with the DfE's guidance. Many routines and practices have been adjusted to reduce risk of transmission of infection and to keep as many pupils and staff in School as possible enjoying as full a normal service as possible throughout the remainder of the academic year, including maintaining year group 'bubbles' through to the end of the Summer Term 2021.

Alongside all of this, there continues to be some hardship amongst families at the School, resulting in greater requests for Bursary support.

At the time of completing this report, the key nationwide Covid restrictions are no longer in place. However, the School has experienced a recent increase in positive cases amongst pupils and staff. This has necessitated imposing a series of additional temporary control measures which have been communicated to staff, pupils and parents. Where pupils are self-isolating yet still able to undertake school work, we are providing a full and broad curriculum through online means. Children aged 12+ whose parents have consented have been given a single dose of the Pfizer Covid vaccine.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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Given the on-going nature of the pandemic, there are continuing risks and uncertainties at the time of writing:

- Further waves of infection and therefore lockdowns and closures cannot be ruled out.
- Many industries in which the parent body operate and are employed continue to be financially affected by the pandemic. The impact on wealth and reserves of parents who pay school fees continues to emerge over time. The School has provided additional fee support from the outset but some may require support for an extended period.
- Whilst the recognition for the School's excellent remote teaching provision has been far-reaching, financial hardship may increase caution in prospective parents considering an independent education and demand for places and therefore pupil numbers may be affected in the short to medium term.
- Loss of lettings income was noticeable during this period and we believe that it will continue to take some time to recover to pre-pandemic levels.

The Governors and Senior Leadership Team have recognized these risks and continue to take the following action:

- Ensured that the School's reserves have been protected
- Made available additional short term fee support to existing families where possible and maintained close communication with parents in hardship due to the pandemic
- Carefully scrutinize non-essential expenditure to ensure it remains appropriate and value for money
- Continued access to additional funding in case of need has been arranged with supportive bankers
- Maintained open and clear communication with the parent body

**OTHER RISKS**

- The impact of increased costs outside the School's control including the threat of the loss of business rates relief to some registered charities and the Labour Party's aspiration to impose VAT on independent school fees.
- The possible impact on pupil numbers from price competition from other local independent preparatory schools
- The possible impact on pupil numbers in Y7/Y8 from increased competition from Bristol senior schools recruiting into these year groups
- A possible downturn in the demand driven by rising costs of provision of independent education
- Loss of key personnel could affect the efficient operation of the School and its financial controls
- Increasing competition to recruit high quality teaching staff could impact on reputation and perceived quality of teaching
- Covid-19 control measures implemented from time-to-time can make thorough recruitment interviewing for new staff more challenging, as is the provision of access for prospective parents to see the School's full offering
- An incident involving harm to a pupil could lead to severe reputational damage

In the view of the Board, the School has established resources which should ensure that these risks are managed to an acceptable level in its day-to-day operations. In the longer term, strategic planning and management aim to reduce the potential impact of risk factors.

**OBJECTS, PUBLIC BENEFIT AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

**Objects**

The object of the Charitable Company, in accordance with its Memorandum of Association, is to promote and provide for the advancement of education for boys and girls.

- Focus on maximizing academic attainment for pupils of all levels of ability;
- Know and thoroughly understand every pupil, their individual interests, strengths and needs and to provide for individual wellbeing;

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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- Complement academic rigor with an extensive offering in sport, the performing arts and a broad range of extra curricula activity accessible to all;
- Maximise the use of the stunning rural surroundings through focus on activity in the open air;
- Prepare each pupil for their best choice of senior school and for the demands of life beyond school;
- Safeguard every pupil and member of the School community and ensure that a safe and nurturing environment is always provided;
- Employ a highly motivated and inspirational body of staff to take all pupils to the limits of their potential;
- Have continuity of talented leadership and a clear succession plan;
- Maximise the potential of our assets through maintaining, renewing and developing new facilities to enhance our pupils' learning experience;
- Maintain a stable financial model, securing the long term financial future of the School;
- Continue to develop into the Nursery/Pre-School sector in order to create new income streams and to support the School's recruitment of future pupils; and
- Research and further develop new income streams to support financial stability

**Principal activity and income sources**

The Company's principal activity continues to be the provision of a Day School for 4 – 13 year old boys and girls. The principal source of income is therefore from tuition fees and from related educational and extra-curricular activities. Other revenue is derived from the letting of facilities for sport, recreation, private parties and functions.

The Company's subsidiary, Downs School Enterprises Limited (DSEL), was established in June 2017 and opened its Nursery, 'Bertie's', in January 2018 providing year round day care and Pre-School facilities for children aged 6 months to 4 years. The Nursery remained open throughout the 2020-21 year and is now trading at a surplus. Some of this surplus income will be used to support and maintain the parent company and to boost the Group's reserves.

Recruitment of pupils from the Nursery to the School's Reception year is strong and continues to grow in line with Nursery growth. Operating with waiting lists in some areas, Bertie's Nursery has capacity for growth and is actively planning to expand its premises. The DSEL directors are also looking at the current structure of Nursery staffing, including a clearer career progression strategy, to support staff retention and further staff recruitment. The directors recognise the need to be highly selective in staff recruitment and the business will only grow as excellent staff can be selected to join the team.

**Grant-making and access-widening**

The School provided means tested bursaries totaling £281,361 and was able to support 41 (2020: 37) pupils over the course of the year through its bursary scheme. Of these pupils, 17 received at least 50% support by way of fee remission. Fee assistance by way of bursaries accounted for 7.71% (2020: 6.66%) of gross tuition fee income. This continued increase is partially attributable to on-going short term support for families in financial difficulty due to the pandemic. Without this support, these pupils would have been unable to attend the School. In addition, further fee discounts were applied relating to the lockdown period of the Spring Term 2021.

The bursary policy contributes to a widening of access to the education on offer and the facilities enjoyed. It is important to the School that access is not restricted to those who can afford the fees. Bursaries are made on a means-tested assessment and reviewed annually. Application is available to potential and existing pupils at the School. In exceptional cases, support up to 100% can be considered.

Whilst the Covid-19 pandemic continued to stifle much external activity, the School allows various organisations to use its sports facilities, grounds and other resources at little or no cost. The charity, Children's Hospice South West (CHSW), is located close to the School. CHSW from time to time uses the School's premises for fundraising meetings without charge. The School hopes to re-build further community

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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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links – such as with a local children's musical theatre company – as the effects of the pandemic recede and further engagement can be safely undertaken.

The house system within the School facilitates charity fund raising days in order for each of the four houses to choose a charity and organise a themed day where the whole School participates. Where safe to do so, guest speakers attend to explain the objects of their charity and the impact on recipients of the funds raised. Despite limited opportunities for fundraising due to pandemic restrictions, pupils nevertheless raised £1,215 in the year.

## **STRATEGIC REPORT**

### **REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR**

The School aims to provide an excellent academic experience with the highest standards of teaching and assessment. This is balanced with a broad curriculum and that embraces equally sport and the performing arts.

A large majority of the pupils learn at least one musical instrument and lessons can be accessed by all age groups. All children in the Prep School are in a choir and pupils throughout the School will all take part in a theatre production each academic year. Continuing closures and restrictions through the 2020-21 academic year resulted in the deferral of many performance events but seven year groups were still able to stage five productions:

- YrR & Y1 presented a Nativity, unfortunately they only performed the dress rehearsal as they were sent home for the final week of term due to Covid.

The following productions were filmed:

- Y2 & Y3 presented Archibald's War
- Y4 presented Darwin Rocks
- Y5 presented Charlie & The Chocolate Factory
- Y6 presented A Midsummer Night's Dream
- Y7 & Y8 (Senior Production) presented The Other Children

In addition, there have been a variety of smaller concerts, formal and informal, choral and orchestral.

Around 70% of pupils participated in dance lessons comprising ballet, tap, jazz or street and more than 40% took part in speech and drama lessons, making good use of the recently-refurbished 100-seater theatre.

Pupils are prepared for the Common Entrance examinations at the end of Year 8. In spite of the additional challenges posed by the pandemic, our pupils achieved strong results gaining access to their first choice of senior school. Many have been awarded scholarships and this year was no exception. This year's leavers achieved the following:

All round	6 scholarships
Academic	1 scholarship
Sport	7 scholarships
Music	2 scholarships; 1 exhibition
Drama	5 scholarships

Much of the focus of Year 8 is preparing pupils for their senior schools and instilling in them a sense of personal confidence and achievement. They are given more independence and responsibility. In a normal

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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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year, opportunities for senior pupils would include skiing in Europe, taking part in an exchange with pupils from a school in Madrid, and/or to join a tour of the Battlefields of Northern France and Belgium. All Year 8 pupils attend a Leavers' Camp towards the end of their final term which was based at the School.

The School continued its rolling programme of the refurbishment of teaching spaces, installing the latest technology best suited to the advancement of teaching and learning, and particularly of independent or more pupil-driven learning. The rolling IT renewal programme continues to ensure that the School remains well-equipped to manage the technical challenges of remote learning where required, as well as further development of our technical infrastructure.

The School recognizes the challenges of growing up in the current day and the increased incidence of mental health issues amongst young people. The School's Pastoral Care Team continues to be mindful of the impact on young people of limited contact and activity with their peers during the pandemic and has been proactive in making regular contact with children who do not appear to be fully engaged. The School's Counsellor service is now embedded in the timetable and provides flexible support to individuals and groups, pupils, parents and staff.

**Fundraising performance**

Donations and gifts in the year amounted to £18,701 (2020: £47,769).

Parents' regular termly donations to the Downs School Association ("DSA") amounted to £8,280, where the distribution of these funds is determined by an elected Committee that comprises parents and some staff and who report to the School's main Board of Governors. Other donations amounted to £10,421. With the exception of £4,809 donated through the year for specific areas such as garden planting and equipment, the remaining funds have been given on an unrestricted basis. The School aims to invest some of these funds in developing its teaching staff and to support the School's programme for pastoral care and wellbeing.

The DSA raise funds through events in which parents, pupils and staff participate: For pandemic reasons, Fireworks night was held for children only and the Summer 2021 fete was postponed to the Autumn Term 2021. Despite this the team ran multiple successful fundraisers. In the year, the DSA contributed to the library refurbishment (£15,000), girls' sports kit (£1,300), inflatables (£1,965) and Arts Week (£4,500), with parts of these contributions continuing into the Autumn Term 2021.

**FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The operating surplus for the year amounted to £231,804 (2020: £284,822) for the School against an average number of pupils of 248 (2020: 260). The ongoing working capital requirements of the Nursery, operated by the subsidiary, Downs School Enterprises Limited, generated a profit for the subsidiary of £92,477, compared to a loss in the previous year, bringing about a consolidated surplus of £324,281 (2020: £225,329).

Consolidated funds of the School and its subsidiary have therefore increased by £324,281 to £3,822,313 (2020: £3,498,032).

**RESERVES POLICY**

Total reserves are £3,822,313 (2020: £3,498,032), of which £3,823,357 (2020: £3,868,371) comprises fixed assets. This leaves £1,097,509 (2020: £533,575) as free reserves after taking into account loans secured on the fixed assets of the charity of £1,098,553 (2020: £903,914) which includes a CBILS loan of £250,000. Restricted funds amounts to £2,500.

The level of reserves is considered sufficient for the immediate needs of the Group. The policy remains to build up free reserves to maintain the high standard of educational services currently provided including a

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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regular programme of renewal of resources including IT, and to balance this with future capital expenditure requirements and the demands of maintaining the Group's extensive grounds and historic buildings.

**GOING CONCERN**

Having reviewed the funding facilities available to the School together with the expected ongoing 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 and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities below.

**Future Plans and Reserves**

The Board maintains its intent to continually reinvest in the infrastructure of the School to secure its future. The retention of good operating surpluses in recent years has provided cash reserves that have enabled the Board to invest and diversify and yet still hold significant contingent funds for any unforeseen requirements including changes in demand for working capital.

Focus in the forthcoming year is to continue to expand the Pre-School nursery business and also develop the facilities on the School site for the benefit of present and future pupils.

**STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

The Governors (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Governors' 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 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 Group and the Company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**DISCLOSURE OF INFORMATION TO AUDITORS**

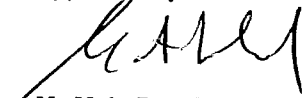
Each of the persons who are Governors at the time when this Governors' Report is approved has confirmed that:

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

**AUDITORS**

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Governors will propose a motion reappointing the auditors at a meeting of the Governors.

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

  
**Mr M.A. Burchfield**  
Chair of Governors  
Date: 27/11/2021

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**

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**Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the School's affairs as at 31 August 2021 and of the Group's 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 and the Charities Act 2011.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the School'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 Governors with respect to going concern are described in the relevant sections of this report.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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**Other information**

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

We have nothing to report in this regard.

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

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

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

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

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

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

- the School has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the School's 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.

**Responsibilities of Governors**

As explained more fully in the Governors' responsibilities statement, the Governors (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 Governors 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 Group's and the School'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 Group or the School or to cease operations, or have no realistic alternative but to do so.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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**Auditors' responsibilities for the audit of the financial statements**

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

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

- We have considered the nature of the sector, control environment and financial performance of the School;
- We have considered the results of enquiries with management and Governors, including the committees charged with governance over the School's finance and control, in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have considered any matters we identified having obtained and reviewed the School's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks or fraud or noncompliance with laws and regulations;
- We have considered the matters discussed among the audit engagement team and involving relevant internal independent schools specialists regarding how and where fraud might occur in the financial statements and any potential indications for fraud;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation;

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the School operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019 and FRS 102. In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the School's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- 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;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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- Reviewing committee meeting minutes;
- Enquiring of Governors and management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue with a particular focus around 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 business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve 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 School'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 School's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the School and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Joseph Scaife FCA DChA (Senior statutory auditor)**

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date: 8/12/2021

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Donations and legacies	4	4,809	13,892	18,701	47,769
Charitable activities		-	3,369,689	3,369,689	3,433,649
Other trading activities	6	-	689,469	689,469	494,456
Investments	7	-	451	451	2,972
Other income	8	-	56,607	56,607	151,824
<b>Total income</b>		<b>4,809</b>	<b>4,130,108</b>	<b>4,134,917</b>	<b>4,130,670</b>
<b>Expenditure on:</b>					
Raising funds	9	-	529,519	529,519	493,274
Charitable activities		2,309	3,278,808	3,281,117	3,412,067
<b>Total expenditure</b>		<b>2,309</b>	<b>3,808,327</b>	<b>3,810,636</b>	<b>3,905,341</b>
<b>Net movement in funds</b>		<b>2,500</b>	<b>321,781</b>	<b>324,281</b>	<b>225,329</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		-	3,498,032	3,498,032	3,272,703
Net movement in funds		2,500	321,781	324,281	225,329
<b>Total funds carried forward</b>		<b>2,500</b>	<b>3,819,813</b>	<b>3,822,313</b>	<b>3,498,032</b>

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

The notes on pages 20 to 41 form part of these financial statements.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:01072074**

**CONSOLIDATED BALANCE SHEET  
AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	3,823,357	3,868,371
		<u>3,823,357</u>	<u>3,868,371</u>
<b>Current assets</b>			
Stocks	15	18,693	18,936
Debtors	16	198,106	190,762
Cash at bank and in hand		1,751,845	1,030,318
		<u>1,968,644</u>	<u>1,240,016</u>
Creditors: amounts falling due within one year	17	(1,002,030)	(801,557)
<b>Net current assets</b>		<u>966,614</u>	<u>438,459</u>
<b>Total assets less current liabilities</b>		<u>4,789,971</u>	<u>4,306,830</u>
Creditors: amounts falling due after more than one year	18	(967,658)	(808,798)
<b>Total net assets</b>		<u><u>3,822,313</u></u>	<u><u>3,498,032</u></u>
<b>Charity funds</b>			
Restricted funds	20	2,500	-
Unrestricted funds	20	3,819,813	3,498,032
<b>Total funds</b>		<u><u>3,822,313</u></u>	<u><u>3,498,032</u></u>

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:01072074**

**CONSOLIDATED BALANCE SHEET (CONTINUED)  
AS AT 31 AUGUST 2021**

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

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



**Mr M.A. Burchfield**

Chair

Date: 27/11/2021

The notes on pages 20 to 41 form part of these financial statements.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:01072074**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	3,792,457	3,823,760
Investments	14	1	1
		<u>3,792,458</u>	<u>3,823,761</u>
<b>Current assets</b>			
Stocks	15	17,417	16,685
Debtors	16	500,074	516,494
Cash at bank and in hand		1,635,051	1,012,436
		<u>2,152,542</u>	<u>1,545,615</u>
Creditors: amounts falling due within one year	17	(963,451)	(778,491)
<b>Net current assets</b>		<u>1,189,091</u>	<u>767,124</u>
<b>Total assets less current liabilities</b>		<u>4,981,549</u>	<u>4,590,885</u>
Creditors: amounts falling due after more than one year	18	(967,658)	(808,798)
<b>Total net assets</b>		<u><u>4,013,891</u></u>	<u><u>3,782,087</u></u>
<b>Charity funds</b>			
Restricted funds	20	2,500	-
Unrestricted funds	20	4,011,391	3,782,087
<b>Total funds</b>		<u><u>4,013,891</u></u>	<u><u>3,782,087</u></u>

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

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

  
**Mr M.A. Burchfield**

Chair

Date: 27/11/2021

The notes on pages 20 to 41 form part of these financial statements.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2021**

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	720,889	392,383
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	451	2,972
Proceeds from the sale of tangible fixed assets	1,776	-
Purchase of tangible fixed assets	(171,564)	(108,028)
Bank interest paid	(3,787)	(5,495)
<b>Net cash used in investing activities</b>	<b>(173,124)</b>	<b>(110,551)</b>
<b>Cash flows from financing activities</b>		
Cash inflows from new borrowing	250,000	156,548
Repayments of borrowing	(53,637)	(236,817)
Repayments of hire purchase loans	(11,311)	(10,884)
Interest paid on borrowings	(11,290)	(13,311)
<b>Net cash provided by/(used in) financing activities</b>	<b>173,762</b>	<b>(104,464)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>721,527</b>	<b>177,368</b>
Cash and cash equivalents at the beginning of the year	1,030,318	852,950
<b>Cash and cash equivalents at the end of the year</b>	<b>1,751,845</b>	<b>1,030,318</b>

The notes on pages 20 to 41 form part of these financial statements

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. General information**

The Downs School (Charlton House) Limited is a company limited by guarantee, incorporated in the United Kingdom and registered in England and Wales. The registered office is The Downs School, Charlton House, Wraxall, Bristol, BS48 1PF.

**2. Accounting policies**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

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

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

**2.2 COMPANY STATUS**

The Company is a company limited by guarantee. The members of the Company are the Governors named on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company.

**2.3 GOING CONCERN**

The Governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. After making appropriate enquiries, the Governors have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

**2.4 INCOME**

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

Fees receivable and similar income represent fees from ordinary activities and are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships, and other remissions granted by the School.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**2. Accounting policies (continued)**

**2.5 EXPENDITURE**

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities and Governance costs are costs incurred on the Company's operations, including support costs and costs relating to the governance of the Company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**2.6 INTEREST RECEIVABLE**

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

**2.7 TAXATION**

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**2. Accounting policies (continued)**

**2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION (CONTINUED)**

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

Depreciation is provided on the following bases:

Freehold property	- Over 75 years
Freehold improvements	- Over 50 or 25 years
Motor vehicles	- Over 4 years
Furniture and equipment	- Over 10 years
Computer equipment	- Over 4 years
Grounds maintenance machinery	- Over 10 years

**2.9 INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

**2.10 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.11 DEBTORS**

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

**2.12 CASH AT BANK AND IN HAND**

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

**2.13 LIABILITIES AND PROVISIONS**

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

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

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

**2. Accounting policies (continued)**

**2.14 FINANCIAL INSTRUMENTS**

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

**2.15 FINANCE LEASES AND HIRE PURCHASE**

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

**2.16 PENSIONS**

The School operates three pension schemes.

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The School also operates two defined contribution pension schemes and the pension charge represents the amounts payable by the School to the schemes in respect of the year.

**2.17 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 Group 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 Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Operating lease commitments

The School has entered into leases for motor vehicles and equipment as a lessor and as a lessee it obtains use of the related assets. The classification of such leases as operating or finance lease requires the School to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

There are no critical accounting estimates.

**4. Income from donations and legacies**

	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
General Donations	4,809	5,612	<b>10,421</b>	38,594
The Downs School Association	-	8,280	<b>8,280</b>	9,175
	<u>4,809</u>	<u>13,892</u>	<u><b>18,701</b></u>	<u>47,769</u>
<b>TOTAL 2020</b>	<u><u>1,094</u></u>	<u><u>46,675</u></u>	<u><u>47,769</u></u>	

**5. Income from charitable activities**

	<b>2021 £</b>	<i>2020 £</i>
Gross fee receivable	<b>3,648,968</b>	3,656,461
Bursaries and scholarships	<b>(521,899)</b>	(484,691)
Income from rechargeable expenditure	<b>236,320</b>	257,829
Registration fees	<b>6,300</b>	4,050
	<u><u><b>3,369,689</b></u></u>	<u><u>3,433,649</u></u>

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

6. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings	6,667	6,667	14,583
Other income	8,884	8,884	8,029
Fundraising income	11,924	11,924	10,921
	<u>27,475</u>	<u>27,475</u>	<u>33,533</u>
<i>TOTAL 2020</i>	<u>33,533</u>	<u>33,533</u>	

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Nursery income	661,994	661,994	460,923
	<u>661,994</u>	<u>661,994</u>	<u>460,923</u>
<i>TOTAL 2020</i>	<u>460,923</u>	<u>460,923</u>	

7. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rental income	400	400	400
Bank interest	51	51	2,572
	<u>451</u>	<u>451</u>	<u>2,972</u>
<i>TOTAL 2020</i>	<u>2,972</u>	<u>2,972</u>	

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8. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
CJRS income	56,607	<b>56,607</b>	151,824
<i>TOTAL 2020</i>	<u>151,824</u>	<u>151,824</u>	

9. Expenditure on raising funds

Expenditure on fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fundraising expenditure	7,602	<b>7,602</b>	5,542
<i>TOTAL 2020</i>	<u>5,542</u>	<u>5,542</u>	

Expenditure from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Nursery cost of sales	59,509	<b>59,509</b>	40,623
Nursery administration expenses	56,477	<b>56,477</b>	62,802
Interest payable	100	<b>100</b>	100
Nursery cost of sales staff costs	307,572	<b>307,572</b>	296,786
Nursery administration staff costs	82,170	<b>82,170</b>	71,872
Nursery depreciation	16,089	<b>16,089</b>	15,549
	<u>521,917</u>	<u>521,917</u>	<u>487,732</u>
<i>TOTAL 2020</i>	<u>487,732</u>	<u>487,732</u>	

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**10. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Education	2,416,501	864,616	<b>3,281,117</b>	3,412,067
<i>TOTAL 2020</i>	<u>2,538,399</u>	<u>873,668</u>	<u>3,412,067</u>	

**Analysis of direct costs**

	<b>Education 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Staff costs	1,873,002	<b>1,873,002</b>	1,993,796
Depreciation	90,565	<b>90,565</b>	95,623
Educational supplies	141,532	<b>141,532</b>	158,229
Household and welfare	9,990	<b>9,990</b>	15,721
Catering	257,905	<b>257,905</b>	222,750
Transport	43,507	<b>43,507</b>	52,280
	<u>2,416,501</u>	<u>2,416,501</u>	<u>2,538,399</u>

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**10. Analysis of expenditure by activities (CONTINUED)**

**Analysis of support costs**

	<b>Education 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Staff costs	336,868	<b>336,868</b>	353,193
Depreciation	109,036	<b>109,036</b>	105,929
Educational supplies	29,773	<b>29,773</b>	28,452
Other costs	39,765	<b>39,765</b>	31,609
Premises costs	184,274	<b>184,274</b>	171,122
Grounds maintenance	25,223	<b>25,223</b>	49,070
Management expenses	99,258	<b>99,258</b>	84,186
Financing expenses	17,133	<b>17,133</b>	20,541
Legal and professional	10,427	<b>10,427</b>	16,884
Governance	12,859	<b>12,859</b>	12,682
	<u>864,616</u>	<u><b>864,616</b></u>	<u>873,668</u>

**11. Net income/expenditure**

	<b>2021 £</b>	<i>2020 £</i>
Depreciation of tangible fixed assets: - owned by the charitable group	<b>215,690</b>	217,101
Fees payable to the Company's auditor in respect of:		
Auditors' remuneration - audit	<b>12,050</b>	11,400
Auditors' remuneration - other services	<b>410</b>	400
Operating lease rentals	<b>27,720</b>	27,570
	<u><b>27,720</b></u>	<u>27,570</u>

During the year, no Governors received any remuneration (2020: £NIL).

During the year, no Governors received any benefits in kind (2020: £NIL).

During the year, no Governors received any reimbursement of expenses (2020: £NIL).

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**12. Staff costs**

	<b>Group 2021 £</b>	<i>Group 2020 £</i>	<b>Company 2021 £</b>	<i>Company 2020 £</i>
Wages and salaries	2,161,479	2,201,783	1,799,761	1,859,770
Social security costs	182,822	182,645	163,851	166,579
Employer contribution to pension schemes	255,311	331,219	246,258	320,640
	<u>2,599,612</u>	<u>2,715,647</u>	<u>2,209,870</u>	<u>2,346,989</u>

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

	<b>Group 2021 No.</b>	<i>Group 2020 No.</i>
Teaching staff	50	44
Administrative staff	49	43
	<u>99</u>	<u>87</u>

The average headcount expressed as full-time equivalents was:

	<b>Group 2021 No.</b>	<i>Group 2020 No.</i>	<b>Company 2021 No.</b>	<i>Company 2020 No.</i>
Teaching staff	37	34	37	34
Administrative staff	39	38	21	24
	<u>76</u>	<u>72</u>	<u>58</u>	<u>58</u>

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

	<b>Group 2021 No.</b>	<i>Group 2020 No.</i>
In the band £60,001 - £70,000	-	1
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	-	1

The key management personnel of the School comprises the Governors (who do not receive remuneration for their role as Governors) and the Senior Management Team. The total amount of employee benefits (including employer pension contributions and employer's national insurance) received by key management personnel for their services to the School was £304,856 (2020: £429,099).

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**13. Tangible fixed assets**

**GROUP**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2020	5,158,480	11,900	1,028,436	292,692	188,368	6,679,876
Additions	108,260	-	29,185	33,569	550	171,564
Disposals	-	-	(50)	(36,818)	(552)	(37,420)
At 31 August 2021	<u>5,266,740</u>	<u>11,900</u>	<u>1,057,571</u>	<u>289,443</u>	<u>188,366</u>	<u>6,814,020</u>
<b>DEPRECIATION</b>						
At 1 September 2020	1,736,018	9,700	706,532	238,205	121,050	2,811,505
Charge for the year	97,423	800	72,028	34,626	10,813	215,690
On disposals	-	-	(20)	(36,237)	(275)	(36,532)
At 31 August 2021	<u>1,833,441</u>	<u>10,500</u>	<u>778,540</u>	<u>236,594</u>	<u>131,588</u>	<u>2,990,663</u>
<b>NET BOOK VALUE</b>						
At 31 August 2021	<u><u>3,433,299</u></u>	<u><u>1,400</u></u>	<u><u>279,031</u></u>	<u><u>52,849</u></u>	<u><u>56,778</u></u>	<u><u>3,823,357</u></u>
At 31 August 2020	<u><u>3,422,462</u></u>	<u><u>2,200</u></u>	<u><u>321,904</u></u>	<u><u>54,487</u></u>	<u><u>67,318</u></u>	<u><u>3,868,371</u></u>

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**13. Tangible fixed assets (CONTINUED)**

**COMPANY**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2020	5,158,480	11,900	941,985	290,233	188,368	6,590,966
Additions	108,260	-	28,860	31,516	550	169,186
Disposals	-	-	(50)	(36,818)	(552)	(37,420)
At 31 August 2021	<u>5,266,740</u>	<u>11,900</u>	<u>970,795</u>	<u>284,931</u>	<u>188,366</u>	<u>6,722,732</u>
<b>DEPRECIATION</b>						
At 1 September 2020	1,736,018	9,700	664,081	236,357	121,050	2,767,206
Charge for the year	97,423	800	57,062	33,503	10,813	199,601
On disposals	-	-	(20)	(36,237)	(275)	(36,532)
At 31 August 2021	<u>1,833,441</u>	<u>10,500</u>	<u>721,123</u>	<u>233,623</u>	<u>131,588</u>	<u>2,930,275</u>
<b>NET BOOK VALUE</b>						
At 31 August 2021	<u><u>3,433,299</u></u>	<u><u>1,400</u></u>	<u><u>249,672</u></u>	<u><u>51,308</u></u>	<u><u>56,778</u></u>	<u><u>3,792,457</u></u>
At 31 August 2020	<u><u>3,422,462</u></u>	<u><u>2,200</u></u>	<u><u>277,904</u></u>	<u><u>53,876</u></u>	<u><u>67,318</u></u>	<u><u>3,823,760</u></u>

The net book value of assets held under finance leases or hire purchase contracts, included above are as follows: Other fixed assets £41,160 (2020: £47,040).

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14. Fixed asset investments

COMPANY	Investments in subsidiary companies £
<b>COST OR VALUATION</b>	
At 1 September 2020	1
At 31 August 2021	<u>1</u>
<b>NET BOOK VALUE</b>	
At 31 August 2021	<u>1</u>
AT 31 AUGUST 2020	<u>1</u>

15. Stocks

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Consumables	<u>18,693</u>	<u>18,936</u>	<u>17,417</u>	<u>16,685</u>

16. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
<b>DUE WITHIN ONE YEAR</b>				
Trade debtors	122,770	102,269	114,228	85,564
Amounts owed by Group undertakings	-	-	318,290	353,578
Other debtors	198	328	198	328
Prepayments and accrued income	75,138	88,165	67,358	77,024
	<u>198,106</u>	<u>190,762</u>	<u>500,074</u>	<u>516,494</u>

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**17. Creditors: Amounts falling due within one year**

	<b>Group 2021 £</b>	<i>Group 2020 £</i>	<b>Company 2021 £</b>	<i>Company 2020 £</i>
Bank loans	146,715	120,949	146,715	120,949
Payments received on account	142,945	131,438	142,945	131,438
Trade creditors	83,312	67,677	72,356	65,478
Other taxation and social security	50,670	42,652	44,676	40,639
Obligations under finance lease and hire purchase contracts	10,013	9,587	10,013	9,587
Other creditors	69,691	68,110	53,108	54,865
Accruals and deferred income	498,684	361,144	493,638	355,535
	<b>1,002,030</b>	<i>801,557</i>	<b>963,451</b>	<i>778,491</i>
	<b>Group 2021 £</b>	<i>Group 2020 £</i>	<b>Company 2021 £</b>	<i>Company 2020 £</i>
Deferred income at 1 September 2020	311,770	337,855	311,770	333,274
Resources deferred during the year	459,051	311,770	459,051	311,770
Amounts released from previous periods	(311,770)	(337,855)	(311,770)	(333,274)
	<b>459,051</b>	<i>311,770</i>	<b>459,051</b>	<i>311,770</i>

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**18. Creditors: Amounts falling due after more than one year**

	<b>Group 2021 £</b>	<i>Group 2020 £</i>	<b>Company 2021 £</b>	<i>Company 2020 £</i>
Bank loans	951,838	782,965	951,838	782,965
Net obligations under finance lease and hire purchase contracts	15,820	25,833	15,820	25,833
	<u>967,658</u>	<u>808,798</u>	<u>967,658</u>	<u>808,798</u>

The School has three bank loans with Barclays Bank plc which are secured against freehold property.

The 2009 loan is repayable over 225 months and the balance outstanding at the year end was £722,563 (2020: £747,326).

The 2020 loan of £160,000 is repayable over 60 months with interest charged at a variable rate. The balance outstanding at the year end was £125,990 (2020: £156,588).

A new CBILS loan of £250,000 was entered into during the year. The repayment of this loan is to commence in May 2022, 12 months after the date of the first drawdown, as the Facility has a capital repayment holiday in place. The balance outstanding at the year end was £250,000 (2020: £NIL).

**19. Financial instruments**

	<b>Group 2021 £</b>	<i>Group 2020 £</i>	<b>Company 2021 £</b>	<i>Company 2020 £</i>
<b>FINANCIAL ASSETS</b>				
Financial assets measured at amortised cost	<u>1,882,238</u>	<u>1,132,915</u>	<u>2,075,192</u>	<u>1,480,570</u>
	<b>Group 2021 £</b>	<i>Group 2020 £</i>	<b>Company 2021 £</b>	<i>Company 2020 £</i>
<b>FINANCIAL LIABILITIES</b>				
Financial liabilities measured at amortised cost	<u>1,510,637</u>	<u>1,298,585</u>	<u>1,472,058</u>	<u>1,275,519</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors, amounts owed by group undertakings, accrued income and cash at bank and in hand.

Financial liabilities measured at amortised cost comprise payments on account, trade creditors, accruals, bank loans, other tax and social security and obligations under finance lease and hire purchase contracts.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. Statement of funds**

**Statement of funds - current year**

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
<b>UNRESTRICTED FUNDS</b>				
General Funds	3,751,975	3,447,910	(3,226,968)	3,972,917
The Downs School Association	30,112	20,204	(11,842)	38,474
Downs School Enterprises Limited	(284,055)	661,994	(569,517)	(191,578)
	<u>3,498,032</u>	<u>4,130,108</u>	<u>(3,808,327)</u>	<u>3,819,813</u>
<b>RESTRICTED FUNDS</b>				
Donations	-	3,156	(656)	2,500
Bursary	-	1,653	(1,653)	-
	<u>-</u>	<u>4,809</u>	<u>(2,309)</u>	<u>2,500</u>
<b>TOTAL OF FUNDS</b>	<u><u>3,498,032</u></u>	<u><u>4,134,917</u></u>	<u><u>(3,810,636)</u></u>	<u><u>3,822,313</u></u>

**UNRESTRICTED FUNDS**

During the year, parent contributions made to the Downs School Association (DSA) and fundraising amounted to £20,204 (2020: £20,096). The DSA is a Committee appointed by the Board comprising elected parents and senior staff who organise social events for the School community and raise funds for the purchase of equipment to benefit the children.

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NOTES TO THE FINANCIAL STATEMENTS  
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20. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2020 £</i>
<b>UNRESTRICTED FUNDS</b>				
General Funds	3,457,657	3,648,557	(3,369,225)	3,736,989
The Downs School Association	24,617	20,096	(14,601)	30,112
Downs School Enterprises Limited	(209,576)	460,923	(520,416)	(269,069)
	<u>3,272,698</u>	<u>4,129,576</u>	<u>(3,904,242)</u>	<u>3,498,032</u>
<b>RESTRICTED FUNDS</b>				
Donations	5	94	(99)	-
Bursary	-	1,000	(1,000)	-
	<u>5</u>	<u>1,094</u>	<u>(1,099)</u>	<u>-</u>
<b>TOTAL OF FUNDS</b>	<u><u>3,272,703</u></u>	<u><u>4,130,670</u></u>	<u><u>(3,905,341)</u></u>	<u><u>3,498,032</u></u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	-	3,823,357	<b>3,823,357</b>
Current assets	2,500	1,966,144	<b>1,968,644</b>
Creditors due within one year	-	(1,002,030)	<b>(1,002,030)</b>
Creditors due in more than one year	-	(967,658)	<b>(967,658)</b>
<b>TOTAL</b>	<u><u>2,500</u></u>	<u><u>3,819,813</u></u>	<u><u>3,822,313</u></u>

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**21. Analysis of net assets between funds (CONTINUED)**

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	3,868,371	3,868,371
Current assets	1,240,016	1,240,016
Creditors due within one year	(801,557)	(801,557)
Creditors due in more than one year	(808,798)	(808,798)
<b>TOTAL</b>	<b>3,498,032</b>	<b>3,498,032</b>

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

	<b>Group 2021 £</b>	<i>Group 2020 £</i>
Net income for the year (as per Statement of Financial Activities)	<b>324,281</b>	225,329
<b>ADJUSTMENTS FOR:</b>		
Depreciation charges	<b>215,690</b>	217,101
Dividends, interests and rents from investments	<b>(451)</b>	(2,972)
Loss/(profit) on the sale of fixed assets	<b>(888)</b>	-
Decrease in stocks	<b>243</b>	5,489
Increase in debtors	<b>(7,344)</b>	(6,215)
Increase/(decrease) in creditors	<b>174,281</b>	(75,309)
Interest paid	<b>15,077</b>	10,154
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>720,889</b>	373,577

**23. Analysis of cash and cash equivalents**

	<b>Group 2021 £</b>	<i>Group 2020 £</i>
Cash in hand	<b>1,751,845</b>	1,030,318
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>1,751,845</b>	1,030,318

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24. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	Cash inflows from net borrowings £	Repayment of borrowings £	Finance lease repayments £	At 31 August 2021 £
Cash at bank and in hand	1,030,318	721,527	-	-	-	1,751,845
Debt due within 1 year	(120,949)	-	(25,000)	(766)	-	(146,715)
Debt due after 1 year	(782,965)	-	(225,000)	56,127	-	(951,838)
Finance leases	(35,420)	-	-	-	9,587	(25,833)
	<u>90,984</u>	<u>721,527</u>	<u>(250,000)</u>	<u>55,361</u>	<u>9,587</u>	<u>627,459</u>

**25. Pension Commitments**

The Group's employees belong to three principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for teaching staff and two defined contribution schemes for teaching and non-teaching staff.

**Defined Contribution Scheme**

The Group operates a defined contribution pension scheme (APTIS) for the majority of its teaching staff and a defined contribution scheme (The People's Pension) for its non-teaching staff and Nursery staff. The assets of these schemes are held separately from those of the Group in independently administered funds. The employer's pension costs paid to these defined contribution schemes in the period amounted to £173,393 (2020: £111,122 on a like-for-like basis, excluding APTIS 'salary sacrifice' element).

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme ("the TPS") for a small number of its teaching staff, having completed a consultation process and subsequent exit for the majority of teaching staff at the start of 2020. The pension charge for the year includes contributions payable to the TPS of £39,830 (2020: £175,744 on a like-for-like basis).

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

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

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

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

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

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
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In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

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

**26. Operating lease commitments**

At 31 August 2021 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2021 £</b>	<i>Group 2020 £</i>	<b>Company 2021 £</b>	<i>Company 2020 £</i>
Not later than 1 year	<b>20,892</b>	<i>27,720</i>	<b>20,892</b>	<i>27,720</i>
Later than 1 year and not later than 5 years	<b>5,518</b>	<i>26,410</i>	<b>5,518</b>	<i>26,410</i>
	<b>26,410</b>	<i>54,130</i>	<b>26,410</b>	<i>54,130</i>

**27. Related party transactions**

A number of Governors have children who are pupils at the School; the appropriate level of fees is levied in respect of these pupils.

Governors' children are assessed for bursaries and scholarships on the same basis as all other pupils on an arm's length basis. During the year, Governors received bursaries totalling £Nil (2020: £Nil).

At the year end the School had a debtor balance of £318,290 (2020: £353,578) with its subsidiary Downs School Enterprises Limited. Movement in the year related to intercompany recharges and loan interest. The School also received rent from Downs School Enterprises Limited of £37,500 (2020: £21,875) and loan interest of £10,200 (2020: £10,909).

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**28. Principal subsidiaries**

The following was a subsidiary undertaking of the Company:

<b>Name</b>	<b>Company number</b>	<b>Registered office or principal place of business</b>	<b>Principal activity</b>
Downs School Enterprises Limited	10801425	The Downs School, Charlton Drive, Wraxall, Bristol, BS48 1PF	Nursery

<b>Class of shares</b>	<b>Holding</b>	<b>Included in consolidation</b>
Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss) / Surplus/ (Deficit) for the year £</b>	<b>Net assets £</b>
Downs School Enterprises Limited	661,994	(569,517)	92,477	(191,577)



**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**

England & Wales - Charity number 310279

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# Accounts

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Registered number: 01072074  
Charity number: 310279

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

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**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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<b>Governors</b>	Mr M.A. Burchfield, Chair Mrs H.M. Archer Mr C.R.G. Biggin Lady E.J. Burgh (resigned 24 October 2019) Mr J.M. Collard Mr D.J. Ferris Mr S.W. Holliday (resigned 20 June 2020) Mrs N.A. Huggett (resigned 20 June 2020) Mr J.A. Isaacs Mr T.P. Lloyd-Jones Mr B.J. Northover Mrs R. Tear Dr R.S. Thomson Mrs R.E. Thornton MR C.N.I. Tuttiett (appointed 20 June 2020) Mrs H. Mack (appointed 14 March 2020)
<b>Company registered number</b>	01072074
<b>Charity registered number</b>	310279
<b>Registered office</b>	The Downs School Charlton House Wraxall Bristol North Somerset BS48 1PF
<b>Company secretary</b>	Mrs H.L. Walker
<b>Headmaster</b>	Mr M.A. Gunn (retired 6 July 2020) Mrs D Isaachsen (appointed 1 September 2020)
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants 10 Temple Back Bristol BS1 6FL
<b>Bankers</b>	Barclays Bank plc 4th Floor, Bridgewater House Counterslip Finzels Reach Bristol BS1 6BX
<b>Solicitors</b>	Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**TRUSTEES REPORT  
FOR THE YEAR ENDED 31 AUGUST 2020**

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The Governors, who are the Directors for the purposes of company law, are also required under the Articles to serve as members of the Company. The Board of Governors present their Annual Report for the year ended 31st August 2020 under the Companies Act 2006 and the Charities Act 2011, together with the audited financial statements for the year.

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

The Company is governed by its Memorandum and Articles of Association, last amended on 11th October 2013.

**Governing Body**

Governors are elected in accordance with the Company's Articles of Association and serve for a term of three years whereupon they are eligible for re-election. The Chair is appointed by the Board of Governors and serves for five years.

The Board acknowledges the need to recruit new members from time to time who can bring a broad range of professional knowledge and skill appropriate for effective governance. The Governors' Development Committee advises the Board on these needs, and identifies potential future members. Governors are recruited from the local business community, the School's own community and the region's educational establishments. Their membership is proposed and considered at Board meetings. Once appointed, they attend a formal induction at the School.

All Governors give freely of their time and no remuneration or expenses were paid in this year.

**Organisational Management**

The Board of Governors meet formally at least three times per annum, that is at least once in each academic term. A number of Committees are formed from the Governing Body and key management personnel. These Committees support the aim of monitoring the School's performance and activities against its objectives and determining its policies as set out in its Scheme of Governance. The Committees met at least once in each academic term and provide a full Committee report to the Board.

Finance Committee	Mr T. P. Lloyd-Jones (Chair) Mr C.R.G. Biggin Mr M. A. Burchfield Mr J.M. Collard Mr M.A. Gunn Mrs H. Mack (appointed 14 March 2020) Mrs R.E. Thornton Mr C.N.I. Tuttiett (appointed 20 June 2020) Mrs H.L. Walker
Bursary Committee	Mr T. P. Lloyd-Jones (Chair) Mr M.A. Gunn Mrs R.E. Thornton Mrs H. L. Walker

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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Strategy Committee	Mr M.A. Burchfield (Chair) Lady E.J. Burgh (resigned 24 October 2019) Mr J.M. Collard Mr D.J. Ferris Mr M.A. Gunn Mr J.A. Isaacs Mr C.N.I. Tuttielt (appointed 20 June 2020) Mr B.J. Northover Mrs H.L. Walker
Nursery Committee	Mr J. M. Collard (Chair) Mrs H. M. Archer Mr M. A. Gunn Mr M. A. Newman Dr R. S Thomson Mrs R. E. Thornton Mrs H. L. Walker
Remuneration Committee	Mrs R. E. Thornton (Chair) Mr M. A. Burchfield Mr M.A. Gunn Mrs H.L. Walker
Education Committee	Mr S.W. Holliday (Chair) (Retired 20 June 2020) Mr M.A. Gunn Mrs N.A. Huggett Mrs R. Tear
Risk and Regulatory Committee	Mr B.J. Northover (Chair) Mrs H.M. Archer Ms H.M. Fulton Mr M.A. Gunn Mrs R. Tear Dr. R. S. Thomson Mrs H.L. Walker
Governors' Development Committee	Mr J.A. Isaacs (Chair) Lady E.J. Burgh (Resigned 20 June 2020) Mr M. A. Burchfield Mr M.A. Gunn Mr B.J. Northover
Health and Safety Committee	Mrs H.L. Walker (Chair) Mr P.A. Brockwell Mr J. M. Collard Ms H.M. Fulton Mr M.A. Gunn Mrs R.E. Thornton
Downs School Association Committee	Mrs V. Sweetman (Chair) Mrs K. Northover (Secretary) Mrs G. Hagger (Treasurer)

This year saw the retirement of Marcus Gunn who had been Headteacher since September 2001. The Governors are delighted to welcome his successor, Mrs Debbie Isaachsen.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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The day-to-day running of the School is delegated to the Head and the Bursar, as key management personnel, via the Scheme of Governance. They are supported by other teaching members of the Senior Management Team being the Assistant Heads of the School.

The remuneration of key management personnel is set by the Board, with the policy objective of ensuring that they are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the Company's success. Delivery of the Company's charitable vision and purpose is primarily dependent on the key management personnel and staff costs are the largest single element of our charitable expenditure.

**Principal Risks and Uncertainties**

The Board, supported by the Strategy and Finance Committees, reviews the School's current and planned future strategic activities in light of any major risks arising from time to time.

The School has a Risk Register where significant risks are monitored by the full Board and lower risks are delegated to appropriate committees for consideration. Selected committees also monitor and evaluate key policies and their implementation in order to effectively manage risk. These committees report their findings to the Risk and Regulatory Committee which reports to the Board.

Risks are also mitigated by maintaining effective internal controls in all compliance and legislative matters, through the regular monitoring of these controls and insurance cover where appropriate.

The Board consider that the following factors present the most significant risks to the School.

**COVID-19 PANDEMIC**

The pandemic hit the UK most forcibly in March 2020 when the UK government placed the nation into full lockdown. The School closed to all pupils other than those who are children of critical workers one week before the onset of the School's Easter holiday closure. Through the Easter break, teaching and IT staff had to swiftly implement a timetable of remote learning and coach both parents and children on accessing lessons from home.

In view of the full premises closure and therefore the reduction in access to the broad educational provision provided by the Downs, the Governors responded to market expectations that a reduction in fees should be effected in the Summer term invoices. The School was able to access the Coronavirus Job Retention Scheme in order to protect the employment of those staff whose services could not be employed throughout the Summer term in the remote teaching structure.

A limited return to school for year groups Reception, 1 and 6 was authorized by the UK government from June 2020. Pupils in other year groups were able to attend for short periods before the Summer holiday closure on 6 July 2020.

The School reopened for all pupils in September 2020. Thorough risk assessments were undertaken in line with the DfE's guidance and control measures for the safe reopening of schools. Many routines and practices have been adjusted to reduce risk of transmission of infection and to keep as many pupils and staff in school as possible enjoying as full a normal service as possible throughout the Autumn 2020 term.

At the time of completing this report, the UK is in a further full lockdown and measures similar to those effected in the Summer 2020 term are being implemented anew. The School has built on the highly effective means to deliver education remotely and offers a full and broad curriculum.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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The full extent of the impact of the pandemic may not be known to the School for some time. There are ongoing risks and uncertainties (at the time of writing).

- Further waves of infection and therefore lockdowns and closures cannot be ruled out.
- Many industries in which the parent body operate and are employed have been severely financially affected by the pandemic and its lockdowns. The impact on wealth and reserves of parents who pay school fees may take some time to emerge. The School has provided additional fee support from the outset but economic commentators warn that the effects may last for months and years.
- Whilst the recognition for the School's excellent remote teaching provision has been far-reaching, financial hardship may increase caution in prospective parents considering an independent education and demand for places and therefore pupil numbers may be affected in the short to medium term.
- Loss of lettings income will take some time to recover to pre-pandemic levels

The Governors and Senior Management Team have recognized these risks and have taken the following action:

- Ensured that the School's reserves have been protected by accessing the Coronavirus Business Interruption Loan Scheme
- Made available additional short term fee support to existing families where possible and maintained close communication with parents in hardship due to the pandemic
- Non-essential expenditure has been deferred
- Access to additional funding in case of need has been arranged with supportive bankers
- Maintained open and clear communication with the parent body

**OTHER RISKS**

- The possible impact on pupil numbers from price competition from other local independent schools
- A possible downturn in the demand driven by rising costs of provision of independent education
- General economic tension amongst UK business including concerns over the UK's departure from the European Union
- Loss of key personnel could affect the efficient operation of the School and its financial controls
- Increasing competition to recruit high quality teaching staff could impact on reputation and perceived quality of teaching
- Ongoing Covid-19 control measures make thorough recruitment interviewing for new staff more challenging, as is the provision of access for prospective parents to see the School's full offering
- An incident involving harm to a pupil could lead to severe reputational damage

In the view of the Board, the School has established resources which should ensure that these risks are managed to an acceptable level in its day-to-day operations. In the longer term, strategic planning and management aim to reduce the potential impact of risk factors.

**OBJECTS, PUBLIC BENEFIT AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

**Objects**

The object of the Charitable Company, in accordance with its Memorandum of Association, is to promote and provide for the advancement of education for boys and girls.

- Focus on maximizing academic attainment for pupils of all levels of ability;
- Know and thoroughly understand every pupil, their individual interests, strengths and needs and to provide for individual well being;
- Complement academic rigor with an extensive offering in sport, the performing arts and a broad range of extra curricula activity accessible to all;
- Maximise the use of the stunning rural surroundings through focus on activity in the open air;
- Prepare each pupil for their best choice of senior school and for the demands of life beyond school;

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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- Safeguard every pupil and member of the School community and ensure that a safe and nurturing environment is always provided;
- Employ a highly motivated and inspirational body of staff to take all pupils to the limits of their potential;
- Have continuity of talented leadership and a clear succession plan;
- Maximise the potential of our assets through maintaining, renewing and developing new facilities to enhance our pupils' learning experience;
- Maintain a stable financial model, securing the long term financial future of the School;
- Continue to develop into the Nursery/Pre-School sector in order to create new income streams and to support the School's recruitment of future pupils; and
- Research and further develop new income streams to support financial stability

**Principal activity and income sources**

The Company's principal activity continues to be the provision of a Day School for 4 – 13 year old boys and girls. The principal source of income is therefore from tuition fees and from related educational and extra-curricular activities. Other revenue is derived from the letting of facilities for sport, recreation, private parties and functions.

The Company's subsidiary, Downs School Enterprises Limited, was established in June 2017 and opened its nursery, 'Bertie's', in January 2018 providing year round day care and Pre-School facilities for children aged 6 months to 4 years. Trading performance showed a move as the Covid-19 pandemic forced its closure from March to June 2020. The subsidiary is now trading at a surplus; some of its surplus income will be used to support and maintain the parent company and to boost the Group's reserves.

Recruitment of pupils from the Nursery to the School's Reception year is strong and continues to grow in line with Nursery growth. Operating with waiting lists, Bertie's Nursery has capacity for growth where premises can be expanded and increased staff recruited. The Directors recognise the need to be highly selective in staff recruitment and the business will only grow as excellent staff can be selected to join the team.

**Grant-making and access-widening**

The School provided means tested bursaries totalling £242,892 and was able to support 37 (2019: 36) pupils over the course of the year through its bursary scheme. Of these pupils, 13 received at least 50% support by way of fee remission. Fee assistance by way of bursaries accounted for 6.66% (2019: 5.73%) of gross tuition fee income. This increase is largely attributable to discounted fee rates in the Summer 2020 term and an increase in short term support for families in financial difficulty due to the pandemic. Without this support, these pupils would have been unable to attend the School.

The bursary policy contributes to a widening of access to the education on offer and the facilities enjoyed. It is important to the School that access is not restricted to those who can afford the fees. Bursaries are made on a means-tested assessment and reviewed annually. Application is available to potential and existing pupils at the School. In exceptional cases, support up to 100% can be considered.

Whilst the Covid-19 pandemic has stifled much activity in the second part of the academic year, the School allows various organisations to use its sports facilities, grounds and other resources at little or no cost. The charity, Children's Hospice South West (CHSW), is located close to the School. CHSW from time to time uses the School's premises for fundraising meetings without charge. A local children's musical theatre company stage their productions in the School's theatre.

The house system within the School facilitates charity fund raising days in order for each of the four houses to choose a charity and organise a themed day where the whole school participates. Guest speakers attend to explain the objects of their charity and the impact on recipients of the funds raised. Pupils' fundraising activities generated £4,450 in the year.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR**

The School aims to provide an excellent academic experience with the highest standards of teaching and assessment. This is balanced with a broad curriculum and that embraces equally sport and the performing arts.

A large majority of the pupils learn at least one musical instrument and lessons can be accessed by all age groups. All children in the Prep School are in a choir and pupils throughout the School will all take part in a theatre production each academic year. Forced closure from March 2020 resulted in the deferral of many performance events but the senior pupils still staged an ambitious interpretation of 'Twelfth Night' and Year 5 presented the musical 'Olivia' based on a selection of Victorian tales. There have been many concerts, formal and informal, choral and orchestral, and the popular annual 'Battle of the Bands'.

Around 70% of pupils participated in dance lessons comprising ballet, tap, jazz or street and more than 30% took part in speech and drama lessons. The School refurbished its 100-seater theatre this year, installing a new floor compatible with the requirements for bigger more ambitious dance and musical productions. Sound and lighting systems were also improved.

Pupils are prepared for the Common Entrance examinations at the end of Year 8. Due to Covid-19, these examinations had to be prepared for conducted under remote conditions. In spite of additional challenges, our pupils achieved strong results gaining access to their first choice of senior school. Many are awarded scholarships and this year was no exception. This year's leavers achieved the following:

Academic	6 scholarships; 2 exhibitions
All round	1 scholarships
Sport	5 scholarships

Much of the focus of Year 8 is preparing pupils for their senior schools and instilling in them a sense of personal confidence and achievement. They are given more independence and responsibility. In a normal year, opportunities for senior pupils would include skiing in Europe, taking part in an exchange with pupils from a school in Madrid, and/or to join a tour of the Battlefields of Northern France and Belgium. All Year 8 pupils attend a Leavers' Camp at a water sports centre in North Cornwall for the penultimate week of their final term.

The School continued its rolling programme of the refurbishment of teaching spaces, installing the latest technology best suited to the advancement of teaching and learning, and particularly of independent or more pupil-driven learning. The rolling IT renewal programme has ensured that the School has been well-equipped to manage the technical challenges of remote learning in 2020.

The School recognizes the challenges of growing up in the current day and the increased incidence of mental health issues amongst young people. The School's Pastoral Care Team have been mindful of the impact on young people of the absence of contact and activity with their peers during the pandemic and have been proactive in making regular contact with children who do not appear to be fully engaged. The School's Counsellor service is now embedded in the timetable and provides flexible support to individuals and groups, pupils, parents and staff.

**Fundraising performance**

Donations and gifts in the year amounted to £47,769 (2019: £98,617).

Current year donations are represented by parents' regular termly donations to the Downs School Association ("DSA") (£9,175) where the distribution of these funds is determined by an elected Committee that comprises parents and some staff and who report to the School's main Board of Governors. Other donations amounted to £38,594. With the exception of £1,094 donated specifically for garden planting and equipment, the large majority of funds have been given on an unrestricted basis. The School aims to invest some of these funds in developing its teaching staff and to support the School's programme for pastoral care and wellbeing.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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The DSA raise funds through events in which both parents, pupils and staff participate; the Fireworks Night, and Summer fete being amongst the best attended in a normal year. In the year, the DSA contributed to the refurbishment of the theatre (£7,500), and equipment for after school clubs (£1,560).

**FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The operating surplus for the year amounted to £284,822 (2019: £375,577), for the School against an average number of pupils of 260 (2019: 275). The ongoing working capital requirements of the Nursery, operated by the subsidiary, Downs School Enterprises Limited, generated a loss for the subsidiary of £59,493 bringing about a consolidated surplus of £225,334 (2019: £302,100).

Consolidated funds of the School and its subsidiary have therefore increased by £225,334 to £3,498,032 (2019: £3,272,703).

**RESERVES POLICY**

Total reserves are £3,498,032 (2019: £3,272,703), of which £3,868,371 (2019 : £3,977,444) comprises fixed assets. This leaves £533,575 (2019: £306,427) as free reserves after taking into account loans secured on the fixed assets of the charity of £903,914 (2019: £1,011,173). There are no restricted funds.

The level of reserves is considered sufficient for the immediate needs of the Group. The policy remains to build up free reserves to maintain the high standard of educational services currently provided including a regular programme of renewal of resources including IT, and to balance this with future capital expenditure requirements and the demands of maintaining the Group's extensive grounds and historic buildings.

**GOING CONCERN**

After making appropriate enquiries, the Governors have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. The financial impact of Covid-19 has resulted in reduced income and therefore a reduced surplus in the year. Some expenditure has been deferred and so the immediate impact on reserves is a reduction in growth rather than a reduction in reserves themselves.

The Governors have secured access to additional bank funding in case of need. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

**Future Plans and Reserves**

The Board maintains its intent to continually reinvest in the infrastructure of the School to secure its future. The retention of good operating surpluses in the past five years has provided cash reserves that have enabled the Board to invest and diversify and yet still hold significant contingent funds for any unforeseen requirements including changes in demand for working capital.

Focus in the forthcoming year is to continue develop the Pre-School nursery business whose future surpluses will support the School's mandate to provide an excellent all-round education provision at an affordable cost.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**STATEMENT OF GOVERNORS' RESPONSIBILITIES**

The Governors (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Governors' 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 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 Group and the Company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

**DISCLOSURE OF INFORMATION TO AUDITORS**

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

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

**AUDITORS**

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Governors will propose a motion reappointing the auditors at a meeting of the Governors.

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



**Mr M.A. Burchfield**  
Chair of Governors  
Date: 13/3/21

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**

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**OPINION**

We have audited the financial statements of The Downs School (Charlton House) Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 August 2020 and of the Group's 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 and the Charities Act 2011.

**BASIS FOR OPINION**

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

**CONCLUSIONS RELATING TO GOING CONCERN**

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

- the 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 Group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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**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 Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors 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 Governors' Report and from the requirement to prepare a Strategic Report.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED (CONTINUED)**

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**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Governors' Responsibilities Statement, the Governors (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 Governors 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 Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Joseph Scaife FCA DChA (Senior Statutory Auditor)**  
for and on behalf of  
**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
10 Temple Back

Bristol  
BS1 6FL

Date:

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>INCOME FROM:</b>					
Donations and legacies	4	46,675	1,094	47,769	98,617
Charitable activities		3,433,649	-	3,433,649	3,933,238
Other trading activities	6	494,456	-	494,456	513,045
Investments	7	2,972	-	2,972	3,999
Other income	8	151,824	-	151,824	-
<b>TOTAL INCOME</b>		<b>4,129,576</b>	<b>1,094</b>	<b>4,130,670</b>	<b>4,548,899</b>
<b>EXPENDITURE ON:</b>					
Raising funds	9	493,274	-	493,274	501,673
Charitable activities		3,410,968	1,099	3,412,067	3,745,126
<b>TOTAL EXPENDITURE</b>		<b>3,904,242</b>	<b>1,099</b>	<b>3,905,341</b>	<b>4,246,799</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>225,334</b>	<b>(5)</b>	<b>225,329</b>	<b>302,100</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		3,272,698	5	3,272,703	2,970,603
Net movement in funds		225,334	(5)	225,329	302,100
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>3,498,032</b>	<b>-</b>	<b>3,498,032</b>	<b>3,272,703</b>

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

The notes on pages 17 to 38 form part of these financial statements.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:01072074**

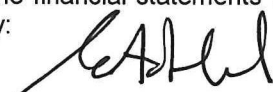
**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	13	3,868,371	3,977,444
		<u>3,868,371</u>	<u>3,977,444</u>
<b>CURRENT ASSETS</b>			
Stocks	15	18,936	24,425
Debtors	16	190,762	184,547
Cash at bank and in hand		1,030,318	852,950
		<u>1,240,016</u>	<u>1,061,922</u>
Creditors: amounts falling due within one year	17	(801,557)	(1,008,062)
<b>NET CURRENT ASSETS</b>		<u>438,459</u>	<u>53,860</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,306,830</u>	<u>4,031,304</u>
Creditors: amounts falling due after more than one year	18	(808,798)	(758,601)
<b>TOTAL NET ASSETS</b>		<u><u>3,498,032</u></u>	<u><u>3,272,703</u></u>
<b>CHARITY FUNDS</b>			
Restricted funds	19	-	5
Unrestricted funds	19	3,498,032	3,272,698
<b>TOTAL FUNDS</b>		<u><u>3,498,032</u></u>	<u><u>3,272,703</u></u>

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



Mr M.A. Burchfield  
 Chairman

Date: 13/3/21

The notes on pages 17 to 38 form part of these financial statements.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:01072074**

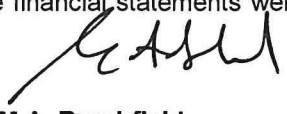
**COMPANY STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	13	3,823,760	3,918,861
Investments	14	1	1
		<u>3,823,761</u>	<u>3,918,862</u>
<b>CURRENT ASSETS</b>			
Stocks	15	16,685	22,534
Debtors	16	516,494	484,772
Cash at bank and in hand		1,012,436	790,257
		<u>1,545,615</u>	<u>1,297,563</u>
Creditors: amounts falling due within one year	17	(778,491)	(960,559)
		<u>767,124</u>	<u>337,004</u>
<b>NET CURRENT ASSETS</b>			
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,590,885</u>	<u>4,255,866</u>
Creditors: amounts falling due after more than one year	18	(808,798)	(758,601)
<b>TOTAL NET ASSETS</b>		<u><u>3,782,087</u></u>	<u><u>3,497,265</u></u>
<b>CHARITY FUNDS</b>			
Restricted funds	19	-	5
Unrestricted funds	19	3,782,087	3,497,260
<b>TOTAL FUNDS</b>		<u><u>3,782,087</u></u>	<u><u>3,497,265</u></u>

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

  
**Mr M.A. Burchfield**  
Chairman

Date: 13/3/21

The notes on pages 17 to 38 form part of these financial statements.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash used in operating activities	21	<b>392,383</b>	409,544
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividends, interests and rents from investments		2,972	3,999
Proceeds from the sale of tangible fixed assets		-	1,947
Purchase of tangible fixed assets		<b>(108,028)</b>	(111,025)
Bank interest paid		<b>(5,495)</b>	(3,976)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(110,551)</b>	<b>(109,055)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash inflows from new borrowing		156,548	-
Repayments of borrowing		<b>(236,817)</b>	(116,812)
Repayment of hire purchase loans		<b>(10,884)</b>	(5,516)
Interest paid on borrowings		<b>(13,311)</b>	3,788
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(104,464)</b>	<b>(118,540)</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		<b>177,368</b>	<b>181,949</b>
Cash and cash equivalents at the beginning of the year		<b>852,950</b>	671,001
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	22	<b>1,030,318</b>	852,950

The notes on pages 17 to 38 form part of these financial statements

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. GENERAL INFORMATION**

The Downs School (Charlton House) Limited is a company limited by guarantee, incorporated in the United Kingdom and registered in England and Wales. The registered office is The Downs School, Charlton House, Wraxall, Bristol, North Somerset, BS48 1PF.

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

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

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The income and expenditure account for the year dealt with in the accounts of the Company was £90,755 (2019: £207,645).

**2.2 COMPANY STATUS**

The Company is a company limited by guarantee. The members of the Company are the Governors named on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company.

**2.3 GOING CONCERN**

The Governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. After making appropriate enquiries, the Governors have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. It is anticipated that the COVID-19 pandemic will diminish cash reserves but not deplete them and the School has access to the Coronavirus Business Interruption Loan Scheme (CBILS). Contingencies for raising cash are continually explored. (See Trustees' report). For this reason they continue to adopt the going concern basis in preparing the financial statements.

**2.4 INCOME**

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

Fees receivable and similar income represent fees from ordinary activities and are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships, and other remissions granted by the School.

**2. ACCOUNTING POLICIES (continued)**

**2.5 EXPENDITURE**

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

Expenditure on raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Company's operations, including support costs and costs relating to the governance of the Company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**2.6 INTEREST RECEIVABLE**

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

**2.7 TAXATION**

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**2. ACCOUNTING POLICIES (continued)**

**2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION (CONTINUED)**

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

Depreciation is provided on the following bases:

Freehold property	- Over 75 years
Freehold improvements	- Over 50 or 25 years
Motor vehicles	- Over 4 years
Furniture and equipment	- Over 10 years
Computer equipment	- Over 4 years
Grounds maintenance machinery	- Over 10 years

**2.9 INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

**2.10 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.11 DEBTORS**

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

**2.12 CASH AT BANK AND IN HAND**

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

**2.13 LIABILITIES AND PROVISIONS**

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

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

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

**2. ACCOUNTING POLICIES (continued)**

**2.14 FINANCE LEASES AND HIRE PURCHASE**

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

**2.15 PENSIONS**

The School operates three pension schemes.

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

**2.16 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 Group 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 Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Operating lease commitments

The School has entered into leases for motor vehicles and equipment as a lessor and as a lessee it obtains use of the related assets. The classification of such leases as operating or finance lease requires the School to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

There are no critical accounting estimates.

**4. INCOME FROM DONATIONS AND LEGACIES**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
General Donations	37,500	1,094	<b>38,594</b>	87,814
The Downs School Association	9,175	-	<b>9,175</b>	10,803
	<u>46,675</u>	<u>1,094</u>	<u><b>47,769</b></u>	<u>98,617</u>
TOTAL 2019	<u>98,503</u>	<u>114</u>	<u>98,617</u>	

**5. INCOME FROM CHARITABLE ACTIVITIES**

	2020 £	2019 £
Gross fees receivable	<b>3,656,461</b>	4,057,860
Bursaries and scholarships	<b>(484,691)</b>	(505,691)
Income from rechargeable expenditure	<b>257,829</b>	376,619
Registration fees	<b>4,050</b>	4,450
	<u><b>3,433,649</b></u>	<u>3,933,238</u>

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings	14,583	14,583	18,272
Other income	8,029	8,029	13,894
Fundraising income	10,921	10,921	14,986
	<u>33,533</u>	<u>33,533</u>	<u>47,152</u>
TOTAL 2019	<u>47,152</u>	<u>47,152</u>	

Income from non charitable trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Nursery Income	460,923	460,923	465,893
	<u>460,923</u>	<u>460,923</u>	<u>465,893</u>
TOTAL 2019	<u>465,893</u>	<u>465,893</u>	

7. INVESTMENT INCOME

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Rental Income	400	400	400
Bank Interest	2,572	2,572	3,599
	<u>2,972</u>	<u>2,972</u>	<u>3,999</u>
TOTAL 2019	<u>3,999</u>	<u>3,999</u>	

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020

8. OTHER INCOMING RESOURCES

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
CJRS income	151,824	151,824	-

9. EXPENDITURE ON RAISING FUNDS

Expenditure on fundraising events

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Fundraising expenditure	5,542	5,542	8,796
TOTAL 2019	8,796	8,796	

Expenditure from non charitable trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Nursery expenditure	487,632	487,632	492,877
Interest payable	100	100	-
TOTAL 2019	487,732	487,732	492,877

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020

10. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Education	2,538,399	873,668	3,412,067	3,745,126
TOTAL 2019	2,720,161	1,024,965	3,745,126	

Analysis of direct costs

	Total funds 2020 £
Staff costs	1,993,796
Depreciation	95,623
Educational supplies	158,229
Household and welfare	15,721
Catering	222,750
Transport	52,280
	<u>2,538,399</u>

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**10. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES (CONTINUED)**

**Analysis of support costs**

	<b>Total funds 2020 £</b>
Staff costs	353,193
Depreciation	105,929
Educational supplies	28,452
Other costs	31,609
Premises costs	171,122
Grounds maintenance	49,070
Management expenses	84,186
Financing expenses	20,541
Legal and professional	16,884
Bank interest and charges	-
Governance	12,682
	<u><u>873,668</u></u>

**11. NET INCOME/(EXPENDITURE)**

	<b>2020 £</b>	<b>2019 £</b>
Depreciation of tangible fixed assets: - owned by the charitable group	<b>217,101</b>	206,503
Fees payable to the Company's auditor in respect of:		
Auditors' remuneration - audit	<b>11,400</b>	11,000
Auditors' remuneration - other services	<b>400</b>	360
Operating lease rentals	<b>27,570</b>	23,739
	<u><u>27,570</u></u>	<u><u>23,739</u></u>

During the year, no Governors received any remuneration (2019: £NIL).

During the year, no Governors received any benefits in kind (2019: £NIL).

During the year, no Governors received any reimbursement of expenses (2019: £NIL).

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**12. STAFF COSTS**

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Company 2020 £</b>	<b>Company 2019 £</b>
Wages and salaries	1,859,770	1,899,531	1,859,770	1,899,531
Social security costs	166,579	169,029	166,579	169,029
Contribution to pension schemes	320,640	230,645	320,640	230,645
	<u>2,346,989</u>	<u>2,299,205</u>	<u>2,346,989</u>	<u>2,299,205</u>

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

	<b>Group 2020 No.</b>	<b>Group 2019 No.</b>
Teaching staff	44	46
Administrative staff	43	36
	<u>87</u>	<u>82</u>

The average headcount expressed as full-time equivalents was:

	<b>Group 2020 No.</b>	<b>Group 2019 No.</b>	<b>Company 2020 No.</b>	<b>Company 2019 No.</b>
Teaching staff	34	35	34	35
Administrative staff	38	25	24	25
	<u>72</u>	<u>60</u>	<u>58</u>	<u>60</u>

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

	<b>Group 2020 No.</b>	<b>Group 2019 No.</b>
In the band £60,001 - £70,000	1	1
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-

The key management personnel of the School comprises the Governors (who do not receive remuneration for their role as Governors) and the Senior Management Team. The total amount of employee benefits (including employer pension contributions and employer's national insurance) received by key management personnel for their services to the School was £429,099 (2019: £341,056).

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**13. TANGIBLE FIXED ASSETS**

**GROUP**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2019	5,158,060	9,100	961,163	262,939	188,368	6,579,630
Additions	420	2,800	67,273	37,535	-	108,028
Disposals	-	-	-	(7,782)	-	(7,782)
At 31 August 2020	<u>5,158,480</u>	<u>11,900</u>	<u>1,028,436</u>	<u>292,692</u>	<u>188,368</u>	<u>6,679,876</u>
<b>DEPRECIATION</b>						
At 1 September 2019	1,642,906	8,900	632,122	209,225	109,033	2,602,186
Charge for the year	93,112	800	74,410	36,762	12,017	217,101
On disposals	-	-	-	(7,782)	-	(7,782)
At 31 August 2020	<u>1,736,018</u>	<u>9,700</u>	<u>706,532</u>	<u>238,205</u>	<u>121,050</u>	<u>2,811,505</u>
<b>NET BOOK VALUE</b>						
At 31 August 2020	<u><u>3,422,462</u></u>	<u><u>2,200</u></u>	<u><u>321,904</u></u>	<u><u>54,487</u></u>	<u><u>67,318</u></u>	<u><u>3,868,371</u></u>
At 31 August 2019	<u><u>3,515,154</u></u>	<u><u>200</u></u>	<u><u>329,041</u></u>	<u><u>53,714</u></u>	<u><u>79,335</u></u>	<u><u>3,977,444</u></u>

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**13. TANGIBLE FIXED ASSETS (CONTINUED)**

**COMPANY**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2019	5,158,060	9,100	876,289	260,480	188,368	6,492,297
Additions	420	2,800	65,696	37,535	-	106,451
Disposals	-	-	-	(7,782)	-	(7,782)
At 31 August 2020	<u>5,158,480</u>	<u>11,900</u>	<u>941,985</u>	<u>290,233</u>	<u>188,368</u>	<u>6,590,966</u>
<b>DEPRECIATION</b>						
At 1 September 2019	1,642,906	8,900	604,604	207,993	109,033	2,573,436
Charge for the year	93,112	800	59,477	36,146	12,017	201,552
On disposals	-	-	-	(7,782)	-	(7,782)
At 31 August 2020	<u>1,736,018</u>	<u>9,700</u>	<u>664,081</u>	<u>236,357</u>	<u>121,050</u>	<u>2,767,206</u>
<b>NET BOOK VALUE</b>						
At 31 August 2020	<u><u>3,422,462</u></u>	<u><u>2,200</u></u>	<u><u>277,904</u></u>	<u><u>53,876</u></u>	<u><u>67,318</u></u>	<u><u>3,823,760</u></u>
At 31 August 2019	<u><u>3,515,154</u></u>	<u><u>200</u></u>	<u><u>271,685</u></u>	<u><u>52,487</u></u>	<u><u>79,335</u></u>	<u><u>3,918,861</u></u>

The net book value of assets held under finance leases or hire purchase contracts, included above are as follows: Other fixed assets £47,040 (2019: £52,920).

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NOTES TO THE FINANCIAL STATEMENTS  
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14. FIXED ASSET INVESTMENTS

Company	Investments in subsidiary companies £
<b>COST OR VALUATION</b>	
At 1 September 2019	1
<b>AT 31 AUGUST 2020</b>	<u>1</u>
<b>NET BOOK VALUE</b>	
<b>AT 31 AUGUST 2020</b>	<u>1</u>
AT 31 AUGUST 2019	<u>1</u>

15. STOCKS

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Consumables	<u>18,936</u>	<u>24,425</u>	<u>16,685</u>	<u>22,534</u>

16. DEBTORS

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
<b>DUE WITHIN ONE YEAR</b>				
Trade debtors	102,269	89,496	85,564	81,932
Amounts owed by group undertakings	-	-	353,578	321,847
Other debtors	328	15,000	328	15,000
Prepayments and accrued income	88,165	80,051	77,024	65,993
	<u>190,762</u>	<u>184,547</u>	<u>516,494</u>	<u>484,772</u>

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Company 2020 £</b>	<b>Company 2019 £</b>
Bank loans	<b>120,949</b>	252,572	<b>120,949</b>	252,572
Payments received on account	<b>131,438</b>	116,633	<b>131,438</b>	116,633
Trade creditors	<b>67,677</b>	106,646	<b>65,478</b>	93,218
Other taxation and social security	<b>42,652</b>	46,360	<b>40,639</b>	42,733
Obligations under finance lease and hire purchase contracts	<b>9,587</b>	9,160	<b>9,587</b>	9,160
Other creditors	<b>68,110</b>	56,706	<b>54,865</b>	43,111
Accruals and deferred income	<b>361,144</b>	419,985	<b>355,535</b>	403,132
	<b>801,557</b>	1,008,062	<b>778,491</b>	960,559
	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Company 2020 £</b>	<b>Company 2019 £</b>
Deferred income at 1 September 2019	<b>337,855</b>	343,519	<b>333,274</b>	343,519
Resources deferred during the year	<b>311,770</b>	337,855	<b>311,770</b>	333,274
Amounts released from previous periods	<b>(337,855)</b>	(343,519)	<b>(333,274)</b>	(343,519)
	<b>311,770</b>	337,855	<b>311,770</b>	333,274

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Company 2020 £</b>	<b>Company 2019 £</b>
Bank loans	<b>782,965</b>	723,181	<b>782,965</b>	723,181
Obligations under finance lease and hire purchase contracts	<b>25,833</b>	35,420	<b>25,833</b>	35,420
	<b>808,798</b>	758,601	<b>808,798</b>	758,601

The School has two bank loans with Barclays Bank plc.

The 2009 loan is repayable over 225 months and the balance outstanding at the year end was £747,326 (2019: £810,408).

The 2015 loan was repayable over 120 months and was charged at a fixed rate of 2.1%, subject to review in late 2019. The loan was repaid in the year and therefore the balance outstanding at the year end was £nil (2019: £161,221).

The outstanding balance had been financed by a new loan of £160,000 in the year. The 2020 loan is repayable over 60 months with interest charged at a variable rate. The balance outstanding at the year end was £156,588 (2019: £nil).

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
<b>UNRESTRICTED FUNDS</b>				
General Funds	3,457,657	3,648,557	(3,369,225)	3,736,989
The Downs School Association	24,617	20,096	(14,601)	30,112
Downs School Enterprises Limited	(209,576)	460,923	(520,416)	(269,069)
	<u>3,272,698</u>	<u>4,129,576</u>	<u>(3,904,242)</u>	<u>3,498,032</u>
<b>RESTRICTED FUNDS</b>				
Donations	5	94	(99)	-
Bursary	-	1,000	(1,000)	-
	<u>5</u>	<u>1,094</u>	<u>(1,099)</u>	<u>-</u>
<b>TOTAL OF FUNDS</b>	<u><u>3,272,703</u></u>	<u><u>4,130,670</u></u>	<u><u>(3,905,341)</u></u>	<u><u>3,498,032</u></u>

**UNRESTRICTED FUNDS**

During the year, parent contributions made to the Downs School Association (DSA) and fundraising amounted to £20,096 (2019: £16,993). The DSA is a Committee appointed by the Board comprising elected parents and senior staff who organise social events for the school community and raise funds for the purchase of equipment to benefit the children.

Furthermore, the company took advantage of the Government's Coronavirus Job Retention Scheme. The Group's total claim was for £197,518 for the period between April to August 2020. The Downs School claim amount was £151,824 and £45,694 was claimed in respect of Downs School Enterprises Limited.

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 September 2018 £	Income £	Expenditure £	Balance at 31 August 2019 £
<b>UNRESTRICTED FUNDS</b>				
General Funds	3,083,845	4,065,899	(3,692,087)	3,457,657
The Downs School Association	22,857	16,993	(15,233)	24,617
Downs School Enterprises Limited	(136,099)	465,893	(539,370)	(209,576)
	<u>2,970,603</u>	<u>4,548,785</u>	<u>(4,246,690)</u>	<u>3,272,698</u>
<b>RESTRICTED FUNDS</b>				
Donations	-	114	(109)	5
	<u>-</u>	<u>114</u>	<u>(109)</u>	<u>5</u>
<b>TOTAL OF FUNDS</b>	<u><u>2,970,603</u></u>	<u><u>4,548,899</u></u>	<u><u>(4,246,799)</u></u>	<u><u>3,272,703</u></u>

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD**

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	3,868,371	3,868,371
Current assets	1,240,016	1,240,016
Creditors due within one year	(801,557)	(801,557)
Creditors due in more than one year	(808,798)	(808,798)
<b>TOTAL</b>	<u><u>3,498,032</u></u>	<u><u>3,498,032</u></u>

**THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	3,977,444	-	3,977,444
Current assets	1,061,917	5	1,061,922
Creditors due within one year	(1,008,062)	-	(1,008,062)
Creditors due in more than one year	(758,601)	-	(758,601)
<b>TOTAL</b>	<u>3,272,698</u>	<u>5</u>	<u>3,272,703</u>

**21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	Group 2020 £	Group 2019 £
Net income for the period (as per Statement of Financial Activities)	<u>225,329</u>	<u>302,100</u>
<b>ADJUSTMENTS FOR:</b>		
Depreciation charge	217,101	206,503
Dividends, interest and rents from investments	(2,972)	(3,999)
Decrease in stocks	5,489	1,695
Decrease/(increase) in debtors	(6,215)	70,102
Decrease in creditors	(75,309)	(156,282)
Loss on disposal of fixed assets	-	(1,485)
Interest paid	10,154	188
Interest rate swap fair value adjustment	-	(9,278)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>373,577</u>	<u>409,544</u>

**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	Group 2020 £	Group 2019 £
Cash in hand	1,030,318	852,950
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<u>1,030,318</u>	<u>852,950</u>

THE DOWNS SCHOOL (CHARLTON HOUSE) LIMITED  
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23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019 £	Cash flows £	Cash inflows from new borrowing £	Repayment s of borrowing £	Finance lease repayments £	At 31 August 2020 £
Cash at bank and in hand	852,950	177,368	-	-	-	1,030,318
Debt due within 1 year	(252,572)	-	(30,715)	162,338	-	(120,949)
Debt due after 1 year	(723,181)	-	(125,813)	66,029	-	(782,965)
Finance leases	(44,580)	-	-	-	9,160	(35,420)
	<u>(167,383)</u>	<u>177,368</u>	<u>(156,528)</u>	<u>228,367</u>	<u>9,160</u>	<u>90,984</u>

NOTES TO THE FINANCIAL STATEMENTS  
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**24. PENSION COMMITMENTS**

The Group's employees belong to three principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for teaching staff and two defined contribution schemes for teaching and non-teaching staff.

**Defined Contribution Scheme**

The Group operates separate defined contribution pension schemes for its teaching and non-teaching staff. The assets of the schemes are held separately from those of the Group in independently administered funds. The employer's pension costs paid to the defined contribution schemes in the period amounted to £111,122 (2019: £13,502).

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £175,745 (2019: £217,247) and at the year-end £7,244 (2019: £26,447) was accrued in respect of contributions to this scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the Government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The Government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation. Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal 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.

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**25. OPERATING LEASE COMMITMENTS**

At 31 August 2020 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Company 2020 £</b>	<b>Company 2019 £</b>
Not later than 1 year	<b>27,720</b>	27,570	<b>27,720</b>	27,570
Later than 1 year and not later than 5 years	<b>26,410</b>	53,630	<b>26,410</b>	53,630
	<b>54,130</b>	81,200	<b>54,130</b>	81,200

**26. RELATED PARTY TRANSACTIONS**

Mr B.J. Northover is a member of Veale Wasbrough Vizards LLP. Veale Wasbrough Vizards LLP was appointed as the School's solicitors prior to Mr Northover becoming a Governor and therefore he was not involved in the decision making process. During the year Veale Wasbrough Vizards LLP was paid £4,019 (2019: £5,573) for legal services provided to the School. These transactions were made on a commercial basis. There was a balance outstanding at the year end of £Nil (2019: £2,160).

A number of Governors have children who are pupils at the School; the appropriate level of fees is levied in respect of these pupils.

Governors' children are assessed for bursaries and scholarships on the same basis as all other pupils on an arm's length basis. During the year, Governors received bursaries totalling £Nil (2019: £Nil).

The Company has taken advantage of the exemption available under FRS 102 section 33.1A from disclosing transactions with entities that are wholly owned within the Group.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**27. PRINCIPAL SUBSIDIARIES**

The following was a subsidiary undertaking of the Company:

<b>Name</b>	<b>Company number</b>	<b>Registered office or principal place of business</b>	<b>Principal activity</b>
Downs School Enterprises Limited	10801425	The Downs School, Charlton Drive, Wraxall, Bristol, BS48 1PF	Nursery

<b>Class of shares</b>	<b>Holding</b>	<b>Included in consolidation</b>
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Ordinary	100%	Yes
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The financial results of the subsidiaries for the year were:

<b>Names</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss) for the year £</b>	<b>Net assets £</b>
Downs School Enterprises Limited	<b>460,923</b>	<b>(520,416)</b>	<b>(59,493)</b>	<b>(284,054)</b>