

Charity Registration No. 311054  
Company Registration No. 00947085 (England and Wales)

**EDGE GROVE SCHOOL TRUST LIMITED  
(LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT, STRATEGIC REPORT AND CONSOLIDATED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

# EDGE GROVE SCHOOL TRUST LIMITED (LIMITED BY GUARANTEE)

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Governors

Mr I S Elliott (Chair)  
Mr P A Kendall (Deputy Chair)  
Mr C H J Clayden  
Mr D G Emkes  
Ms A J Godfrey  
Dr L A Johnson  
Mr C E Lilley  
Mrs S O'Sullivan  
Mr A J Robson  
Mr I A Sheldon  
Mr J L Stevens  
Mr J W Tweddle  
Mr D A E Williams

### Key Management Personnel

<b>Head</b>	Ms L McDonald
<b>Bursar &amp; Company Secretary</b>	Mr M G M Sims
<b>Deputy Head Academic</b>	Ms L E O'Hare
<b>Deputy Head Pastoral</b>	Mrs A T Caldwell
<b>Director of Future Schools &amp; Co-Curricular</b>	Mr B P Hays
<b>Head of Pre Prep</b>	Mrs G A Emmerson
<b>Head of Upper School</b>	Ms A M Warren
<b>Head of Middle School</b>	Mrs K A McManus
<b>Head of Lower School</b>	Mrs S Robinson

**Charity Number** 311054

**Company Number** 00947085

**Registered Office & Principal Address** Edge Grove School  
Aldenham Village  
Watford  
Hertfordshire  
WD25 8NL

**Auditors** TC Group  
The Courtyard  
Shoreham Road  
Upper Beeding, Steyning  
West Sussex BN44 3TN

**Bankers** Barclays Bank Plc  
22-24 Upper Marlborough Road  
St Albans  
Hertfordshire AL1 3AL

**EDGE GROVE SCHOOL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
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# **EDGE GROVE SCHOOL TRUST LIMITED (LIMITED BY GUARANTEE)**

## **GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2020**

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The Governors present their report and consolidated financial statements for the year ended 31 August 2020, which also comply with the Companies Act 2006 requirement for a Directors' Report and Strategic Report.

The financial statements have been prepared in accordance with the Companies Act 2006, Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Edge Grove ("the School") was founded in 1935. It became an incorporated charitable company in 1969, Edge Grove School Trust Ltd ("The Company"), charity registration number 311054, company registration number 00947085, with the liability of its members limited to £1 each by guarantee. The Registered Office and principal address is at the School. The Company is governed by its Articles of Association, adopted by special resolution on 4 September 2014.

#### **The School**

The School is a co-educational, independent day/boarding preparatory school for children between the ages of 3 and 13 years. The School is located on 2 sites with the main site situated in 45 acres of Hertfordshire parkland, midway between Watford and Radlett and a nearby location in Aldenham Village comprising the Pre School. The Head is a member of the Incorporated Association of Preparatory Schools (IAPS) and the School is a member of the Boarding Schools' Association (BSA), the Association of Governing Bodies of Independent Schools (AGBIS) and the Independent Schools Bursars' Association (ISBA). It is governed by a Board of Governors.

#### **Group Structure**

The School has a subsidiary undertaking, Edge Grove Nursery School Ltd, which was acquired as Rexton Nursery School Limited on 19 December 2016 and the company name amended to the current name on 20 December 2016. The subsidiary holds the lease to School House, Church Road, Aldenham, Hertfordshire, WD25 8AP from where the School operates its Pre School facility.

A previous subsidiary, Edge Grove Enterprises Limited, which previously owned the sports hall and received income from its hire, was dissolved on 14 March 2017.

#### **Governance and Organisational Management**

The members of the Governing Body, as the company directors and the charity trustees, are legally responsible for the overall management and control of the School. The following served as Governors during the year in question:

Mr I Elliott (Chair)  
Mr P A Kendall (Deputy Chair)  
Mr C H J Clayden  
Mr D G Emkes  
Ms A J Godfrey  
Dr L A Johnson  
Mr C E Lilley  
Mrs S O'Sullivan  
Mr A J Robson  
Mr I A Sheldon  
Mr J L Stevens  
Mr J W Tweddle  
Dr S B Whiting (resigned 18 May 2020)  
Mr D A E Williams

# **EDGE GROVE SCHOOL TRUST LIMITED (LIMITED BY GUARANTEE)**

## **GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2020**

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The Governors have no beneficial interest in the company. All of the Governors are members of the company and, as such, guarantee to contribute £1 in the event of a winding up.

The Governors determine the general strategy of the School. Effective governance is ensured through: firstly, the appointment of Governors with a range of relevant skills and knowledge as measured against agreed parameters; secondly, the efficient working of the Board's delegated committee structure (see below); and thirdly, through application of a risk management regime which seeks to cover all aspects of the governance task. The day-to-day management of the School is delegated to the Head and the Bursar who are supported by the Senior Leadership Team and together this group form the Key Management Personnel. The Head and Bursar attend all of the meetings of the Governing Board and its committees.

The Governors, assisted by the Head, select new members of the Board. Applications for the position of Governor are sought by word of mouth. The full Board of Governors meets at least 3 times per year. The Board is assisted by Committees which carry out close scrutiny of the Governors' responsibilities and which meet termly. A revised committee structure comprising Education, Estates and Finance Committees and a Nominations Sub-Committee has been in place since 1st September 2014. These committees comprise Governors and, where applicable, other co-opted individuals. All the committees operate under terms of reference specified by the Board of Governors which ratifies the decisions of each committee.

The Chair and Deputy Chair of Governors are, ex-officio, members of all sub committees and arrange that at least one will attend all meetings. The Board operates a strategic planning process of all Board Members rather than delegation to a specific committee and this meets at least annually. During 2019/20, other Board members served on the individual committees as follows:

**Finance:** Mr C H J Clayden (Chair), Mr D G Emkes, Mr A J Robson (ex officio as Chair of Estates Committee), Mr J W Tweddle, Mr D A E Williams

**Education:** Dr L A Johnson (Chair), Ms A J Godfrey, Mrs S O'Sullivan, Mr I A Sheldon, Dr S B Whiting

**Estates:** Mr A J Robson (Chair), Mr C E Lilley, Mr J L Stevens

Individual Governors held specific responsibilities for Safeguarding, Early Years and Pre Prep, Upper School, Middle School and Lower School, Boarding, SEND, Compliance, Health & Safety and Staff Liaison.

### **Governor Induction and Training**

The induction and training of Governors is carried out in accordance with the School's policy on the subject, which also covers the process of appointing Governors. In addition to receiving a detailed Governors' 'Welcome Pack', new Governors attend a series of orientation visits and briefings aimed at familiarising them both with the detailed workings of the School and the responsibilities attaching to their role as trustees.

Following their appointment, Governors are strongly urged to take advantage of the numerous external trustee training and information courses available, and a central record of such attendance is maintained. It is our policy that at least once per year, a joint staff and governor training day is arranged on a topic of mutual interest.

### **Related Parties**

No Governor nor Key Management Personnel had any related transactions with the School during the year. The school rents property from its subsidiary (as detailed above).

### **Remuneration of Key Management Personnel**

The School views all members of the Senior Leadership Team (SLT) as being "Key Management Personnel" and Governors take deliberate steps to ensure that these personnel are fairly and appropriately remunerated.

# **EDGE GROVE SCHOOL TRUST LIMITED (LIMITED BY GUARANTEE)**

## **GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2020**

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Members of the SLT during the year in question were:

- Mr B P Evans: Head
- Mr M G M Sims: Bursar
- Ms L E O'Hare Deputy Head Academic
- Mrs A T Caldwell Deputy Head Pastoral
- Mr P A Smith: Deputy Head Admin
- Mr B P Hays Director of Future Schools & Co-curricular
- Mrs G A Emmerson: Head of Pre Prep
- Ms A M Warren Head of Upper School
- Mrs K A McManus Head of Middle School
- Mrs S Robinson Head of Lower School

The Governors determine the remuneration levels for the Head and Bursar after due consideration between the Chair, the Chair of the Finance Committee, Head (in the case of the Bursar) and other Governors as may be appropriate. These are reviewed annually with due consideration given to not only sector benchmarking surveys, such as is available from AGBIS and other surveys from specialist accounting practices, but also to performance against objectives set.

The remuneration for all other members of the SLT is based upon a defined and published leadership salary scale, changes to which are recommended by the Head and Bursar as a constituent element of the staff remuneration review by Governors. Changes to individual remuneration may also be recommended to Governors following appraisal and performance against objectives set. Governors are invited to approve recommendations as part of the overall annual budgetary approval process or as otherwise appropriate.

### **CHARITABLE OBJECTS, ETHOS, AIMS, STRATEGIES AND ACTIVITIES**

#### **Charitable Objects**

Edge Grove is a Charitable Trust, the stated general object of which is the advancement and promotion of education. Our fees are set at a level to ensure the financial viability of the School and at a level that is consistent with our aim of providing a first class education to boys and girls.

The Governors recognise that, under the Charities Act 2011, the charity must be able to demonstrate that its objects or aims are for the public benefit. In determining the School's objectives for the forthcoming year, the Governors confirm that, during the year in question, they have fulfilled their legal duty to have due regard in general to the Charity Commission's published guidance and, in particular, to its supplementary public benefit guidance on advancing education and on fee-charging both in meeting the public benefit requirement and in discharging their responsibilities as trustees.

The School welcomes pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our School will be able to educate and develop a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Dependent upon the age of the prospective pupil, entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes. We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments, which need to be consistent with the heritage fabric of the site, to meet the needs of staff or pupils who are or become disabled.

#### **Ethos**

Our long history means that tradition plays its part in shaping our character. Edge Grove pupils are independent, have an adventurous spirit, good manners, respect for others and are resilient. It is these

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values that provide a strong foundation on which to build our future. Innovation and creativity flourish and help to define Edge Grove as a truly forward thinking school.

Success, both collectively and on an individual level, is our motivation. Our academically rigorous and dynamic curriculum challenges and supports all pupils.

We are proud of our Christian heritage whilst embracing the religious and cultural differences of all children and families. Our community of day and boarding pupils and their families is extended into the local area and those we help support through national and international charities.

### **Strategic Vision and Mission**

As a core element of our strategic review, the Governors have adopted its strategic vision for the School of being "a first choice Prep School for a first class education for now, for life, for generations to come" with a mission "to ensure that all pupils can achieve their full potential within a safe, secure and happy learning environment".

### **Aims**

The School aims to provide a secure and happy environment in which children feel safe, nurtured and valued. We promote high standards of academic achievement through innovative, reflective teaching, focussed assessment and a rigorous curriculum to ensure all pupils reach their full potential and develop their confidence, and thereby prepare them as effectively as possible for the next stage of their education.

The School strives not only to achieve academic success but also to provide a wide range of opportunities in a co-educational environment to enable pupils to discover and develop interests and expand their experience. We seek to promote a spiritual and moral awareness in our pupils based on the values of respect, empathy and kindness; developing a sense of service to the school community and beyond. In particular, the School seeks to provide a wide range of opportunities in a co-educational environment to meet the individual needs of every pupil through innovative and reflective teaching that allows all pupils to reach their potential and leave the School as confident, mature, engaging and thoughtful children with a lifelong love of learning.

### **Guiding Principles**

The School has adopted the following principles as underpinning all that we strive to achieve with the pupils in our care: Creativity, Aspiration, Independent Thinking, Curiosity, Self-Motivation, Confidence, Discernment, Global and Local Responsibility. Each of these is the subject of an individual focus every week.

### **Primary Objectives**

The primary objectives of the School to fulfil its aims are:

- to continue to develop its role and reputation as a provider of excellent all-round education for its pupils, in a secure and well-maintained environment and utilising the best of modern educational resources;
- to implement plans for the School's capital investment as set out in its Development Plan, which is reviewed and updated annually; and
- to continue to seek opportunities to make its education and associated facilities accessible to the public, and young people in particular.

### **Beneficiaries**

As a registered charity, the School's immediate beneficiaries are its pupils who are able to take advantage of the wide and varied educational opportunities offered by the School. The School's high standards are founded on a genuine concern for the welfare and positive development of every child. Emphasis on courtesy and good manners is embedded in a real family atmosphere within the School, and parents are encouraged to be fully involved in the development of their own children's education and in the wider community life of the School. Pupils' and parents' views are fully taken into account in the shaping of school policy.

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### **Public Benefit**

Governors have had regard to the UK Government's consultation document 'Schools that work for everyone', launched in September 2016, which proposed that independent schools with 'the capacity and capability' should look to support the aim of the consultation; this is to resolve the issue that many children currently attend schools (both primary and secondary) which are either rated as requiring improvement or as inadequate. The School has and will continue to provide assistance commensurate with its capacity and capability to local maintained sector and academy schools by:

- Providing direct school-to-school teaching support;
- Supporting teaching in minority subjects;
- Ensuring their leaders become directors of multi-academy trusts;
- Provide greater expertise and access to facilities.

It is important to the School that access to the education we offer is not restricted to only those who can afford our fees. The School's policy for the award of scholarships and bursaries (reviewed annually by the Board of Governors) ensures that funds are made available to subsidise places at Edge Grove for deserving and talented children whose parents would not otherwise be able to afford to send their children to the School as well as facilitating the continued education of children from families experiencing unforeseen or temporary financial hardship.

The Governors take the view that bursaries awarded to those who would not otherwise be able to afford the fees are important, but not to the exclusion of the much wider benefit that the School provides within the community. Those pupils who attend the School and who receive financial support contribute to the school community in a variety of ways, and so the benefit is not purely to these pupils but to the whole School and thus, in some cases, to the wider community.

An annual budget for means-tested bursaries is established by the Governors' Finance Committee, acting on behalf of the Board, as a core element of the annual budget process and individual applications are assessed by the School within that budget limit. The Board is pleased to note that it was able to continue to provide significant levels of means-tested financial assistance with an annual value of £234,020 (2019: £234,472). In addition, during the year in question, a further £44,174 in assessed fee remission was provided to families in financial difficulty as a consequence of the Covid-19 pandemic, of which £8,174 was raised in a hardship fund by the School, with the remainder coming from reserves.

The School provides significant benefit to the general public through its offer to make its resources (both human and facilities) available for use appropriate to its educational aims. Much of the interaction with both the local and wider communities is embedded in the School's day-to-day operational activity, forming a constituent and important element of both the curriculum and extra-curricular activities of the School. Activities in 2019/20 were restricted due to Covid-19 restrictions but included the following:

- The continued operation of the School Charity Committee comprising both pupils and staff to be responsible for all charitable support by the School not just in fundraising but also in the raising of awareness of values of charitable giving.
- The organisation and hosting of one of Aldenham Parish Council's Christmas community events for residents from local care homes.
- The organisation and hosting of a family Christmas Party including the provision of staffing, facilities and resources and continued arrangements for the Harvest Festival donations on behalf of the Watford and Three Rivers Refugee Partnership.
- Fundraising for HCF through the Upper School Baccalaureate entrepreneurial challenge at the 2019 Christmas fair.
- Provision of the school's facilities for charitable events for, amongst others, British Legion Poppy Appeal, Save the Children, McMillan Cancer Support and Hertfordshire Community Fund including funding support for members of staff running the London Marathon.
- Continued agreement and encouragement for the School's Headmaster to take on the role of Governor and Trustee of the Spiral Partnership Trust, a multi-academy group with 6 schools in Hemel Hempstead and St Albans.



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## **GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2020**

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- Enabling the School's Head to sit on the committee for the local alms houses.

### **STRATEGIC REPORT**

When determining the strategies for the School's operation, Governors are both mindful of and act in good faith towards their corporate responsibilities in a range of areas their duty 'act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the School's employees;
- the need to foster the School's business relationships with suppliers, parents and others;
- the impact of the School's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct.

### **Achievements and Performance**

The success of the School's strategy is measured, primarily, through annual reviews of performance by the Board of Governors and by the performance and reactions of the School's pupils and their parents which is partly ascertained through surveys of the parent body and partly through pupil achievement and their destination schools. The school conducted a formal survey during the year in question on the topic of Parental Satisfaction. The School also established parent focus groups to discuss their perception of the reporting of pupil progress by the School to parents and these will now continue as a matter of routine.

A further measure of general operational performance is the percentage of leavers who went on to their chosen senior school; in 2020 100% (2019: 100%) of Year 8 leavers went on to their first choice with 28 pupils moving on to a total of 14 senior schools, both day and boarding. Leavers at Year 6 also went to their first choice of senior school with 28 pupils going to 17 schools. A total of 33 scholarships were awarded to pupils entered for 18 different schools, compared with 16 for 14 different schools in 2019.

Accurately measuring a child's potential and progress is an invaluable tool in understanding and responding to their individual educational needs. The School continues to invest heavily in the tracking and monitoring of all pupils from Foundation Stage through to Year 8 and the resultant ability, accurately and empirically, to track the progress of each pupil is of significant value, not only in informing both academic staff and parents but also in facilitating appropriately targeted and differentiated teaching. This level of measurement forms the core of the School's reporting and tracking processes whereby:

- Progress is tracked using GL-Assessment data in Reception and Years 1-8 provides a rich diagnostic information for intervention and data on specific groups of pupils: EAL, SEN, boys/girls.
- GL PASS (Pupil Attitudes to Self and School) has been introduced for Years 1-8
- Every subject has a Progression Grid, to record progress against age related expectations, based on a Progression Framework of criteria to assess against.
- Writing is assessed against age related expectations every term (a move away from old National Curriculum Levels) and entered onto a Progression Grid.
- Individual targets are set and reviewed formally in December and June. Marking throughout the school year ensures that work is assessed for learning.

GL data suggests that, on average, the pupils' progress has suffered as a result of lockdown due to COVID-19. In 2019/20, 73% of pupils were making progress at or above expectations (a Good Level of Development). This is compared with 88% in 2018/19, 87% in 2017/18, 86% in 2016/17 and 79% in 2015/16. It is important to note that these assessments are standardised for a normal year and therefore do not take into account time lost due to COVID. The national percentage making a Good Level of Development under normal circumstances is 75%. Whilst the data for 2019/20 is not at our normal levels of progress, the average being 2% under the national average is a reflection of the efforts of the staff and pupils during the Continued Academic and Pastoral Provision (CAPP). Pupils not making

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## **GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2020**

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expected progress are identified for intervention, and progress tracked from the beginning to the end of the intervention.

The school's sporting success has continued to develop this year with a renewed focus on achieving sporting excellence across a number of sports without any detriment to the policy of "Sports for All" and despite the inevitable pandemic interruptions and the cancellation of all overseas ventures, it was another excellent sporting year for all concerned at Edge Grove with a number of outstanding individual and team performances.

In table tennis our U11 boys and girls teams won the regional Watford and Hertsmere District competitions. As a result of this both teams qualified for the zonal county championships with the boys finishing as runners-up and the girls winning the event to be crowned county champions. Our basketball teams excelled with our U11 team winning the plate competition at the IAPS National Finals and the U13 team being knocked out of the cup semi-finals by the eventual winners. In squash we currently have two county champions in the U11 girls section and the U9 boys section and we also have three pupils who are the current Hertfordshire County Clout Archery champions. We have had great success in numerous other local competitions in netball, basketball, rugby and cross country.

This year we have had the highest ever number of pupils being given the opportunity to represent the school on a weekly basis with a record number of fixtures being played each term. In the major sports in the autumn term we had 22 football teams play 193 matches, winning or drawing 75% of these matches. We also had 15 girls' hockey teams playing 80 matches winning or drawing 62% of these matches. We had six undefeated football teams and three undefeated hockey teams.

In the Spring Term we had 14 netball teams playing 72 matches, winning or drawing 65% of those and 16 rugby teams playing 112 matches, winning or drawing 80% of these. We had four undefeated rugby teams and two undefeated netball teams.

Unfortunately, the fixtures for the year were cut short towards the end of the netball and rugby season by the impact of the coronavirus pandemic. It was very disappointing to miss the major sporting events of the summer term in cricket, swimming and athletics as we had very high hopes of achieving further success, particularly in swimming where we had 4 boys already qualified for the IAPS national swimming finals, two of whom had qualified in the top three places out of every prep school in the country. We were hoping to build on our success of previous years at the London Regional Athletics Meeting as we were expecting to have the highest number of qualifiers for the national final in the school's history. We were able to continue with online sessions throughout the summer term for the pupils to keep them motivated and engaged in learning the key skills for the term however the pupils did miss out on the opportunity to compete in fixtures.

The School continues to give a high priority to the performing arts. Whilst academic results in senior school art scholarships and external exam success along with competition results in music continue to be beacons of excellence, this is only part of the picture with innumerable musical concerts, year group and school productions taking place, providing opportunities for a broad participation of pupils across all year. The volume of productions and performances has, of necessity, been reduced during the pandemic which has particularly affected the School's ability to offer musical groups and practical hands-on art but every opportunity has been taken to provide as great a priority as possible in these areas.

The Governors' commitment to maintaining the School's excellence has been reinforced by the capital programme. Expenditure on capital projects during the year amounted to some £1,178,535 (2019: £2,998,046), the bulk of which (£786,757) was invested into the new Lower School Building project and associated works which were completed in November 2019. Uncertainties regarding the future ability to fund capital developments during or post the pandemic meant that the cycle of development at the School was deferred for the latter part of the year.

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### **Fundraising**

Following the launch year of the School Development Office in 2016/17, Governors have been delighted with the continued progress made in increasing engagement with the formation of the Edge Grove Society through events and communications, producing newsletters and inviting alumni to return to the school. Communications are specific and effective to those that wish to hear from the school and events are well attended and supported. However, the restrictions imposed due to the Covid 19 pandemic have meant that all events were cancelled from mid-March 2020 and these included the formal opening of the new Apthorp Building and 20th anniversary celebrations of girls attending Edge Grove. However engagement with alumni and parents has continued through newsletters and phone calls. The development function has raised in excess of £125,000 since launch in March 2017.

It is the intention of the School that all fundraising be carried out by the School's staff with assistance from parents, pupils and alumni in the running of specific fundraising events; the School will not use professional fundraisers or have any commercial participants. All fundraising activities are managed by the Development Manager, reporting to the Chair of Governors, and are monitored for compliance with appropriate regulations by the Bursar with overall oversight by the members of the governing body.

During this financial period, the School set up an annual fund to raise money for essential extras to enhance the curriculum and augment the children's experiences at school. This ran alongside the continuing range of parent association events raising money for the same wish list of items. The lockdown and subsequent closure of the school in March 2020 contributed to the loss of momentum of this annual fund initiative however a significant donation was made through the Friends of Edge Grove enabling many of the wish list items to be purchased for which the School remains extremely grateful.

The School has in place procedures that would be followed in the event of a complaint being received with the initial response being the responsibility of the Bursar. Any continuing issues would then be passed to the governing body to determine what further action might be required.

The School does not currently subscribe to any specific fundraising standards or schemes for fundraising regulation but considers that it has set appropriate standards for the operation and management of its fundraising activities. In particular, the School considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion on a person's privacy and that no fundraising activities would be unreasonably persistent or place undue pressure on a person to give money or other property.

### **Employment Policy**

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. The number of School employees remains below the threshold for a requirement to report under the Gender Pay reporting regulations but the School determines that all staff remuneration is based upon the role to be performed and not the nature of the employee. Consultation with employees at all levels is maintained with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the School through normal management channels in a variety of forms including the Personnel Committee, which is chaired by the Deputy Chair of Governors.

### **Performance against Objectives for 2019/20**

The Board of Governors identified the following short-term objectives for 2019/20 and the School performed against them as follows:

- Continue to promote excellence in teaching and learning through a forward thinking and innovative curriculum with emphasis on the implementation of a new engineering faculty as well as the provision of a new world languages programme in the Pre Prep.
  - Excellence in Teaching and Learning continued to be at the centre of all curriculum development regardless of the impact of Covid-19. Purposeful remote learning was quickly established and all pupils remained fully engaged at all times. The opening of the new engineering faculty was delayed until September 2020 due to delays initially in completing building works and then staff training due to Covid restrictions. The new

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world languages programme continued to be developed within the Pre Prep environment. **Objective partially met.**

- Following the completion of the Lower School Building, to continue progress against the School's development plan with agreement to build a new dining room and kitchens, thereby further assisting in the promulgation of the School's Aims and Guiding Principles.
  - The School successfully completed its development of the new Lower School, which has been named as the Apthorp Building in recognition of the contribution made to the School by the Apthorp family. Progress with gaining approval for further developments were only partially successful in that planning approval was granted for plans to redevelop the existing science block and to extend the current sports hall to create new changing rooms. However, consideration of the planning application to build a new kitchen and dining room in a refurbishment of the Stable Block were deferred by the local Council following refusal of the accompanying application for Listed Building Consent. The School is in the process of re-presenting these plans and remains optimistic as to receiving approval for the proposal during the year 2020/21. **Objective partially met.**
- Ensure that the School's provision for Wellbeing for both pupils and staff is appropriate including the establishment of a dedicated Wellbeing Centre and the training of staff, to include the training of at least one member of staff to train others in Mental First Aid and for a significant number of staff then complete their training.
  - The School opened its dedicated Wellbeing Centre in September 2019 and, until the end of March 2020, this was used by growing numbers of both staff and pupils. The impact of the Covid-19 pandemic necessarily cut training opportunities and the "train the trainer" course that had been procured was cancelled and use of the Wellbeing Centre itself has been curtailed due to Covid safety requirements. The process will continue with greater vigour once the pandemic permits. **Objective partially met.**
- Further establish the School as a community based recycling centre in association with Terracycle to provide recycling solutions for typically hard-to-recycle waste materials as part of School-wide eco-initiatives.
  - The School successfully established itself as a collection point for Terracycle materials and this initiative was growing until March 2020. Unfortunately, the impact of the Covid-19 pandemic required that the School temporarily ceased active participation as a community based recycling centre. The School is planning to return to this initiative once pandemic restrictions are eased. **Objective partially met.**

## FINANCIAL REVIEW

### General Review

In the financial year 2019/20, gross fee income was £7,294,088 a decrease of £107,296 (1.4%) over the 2018/19 level (£7,401,384). Despite an increase in pupil numbers from 508 in 2018/19 to 522 in 2019/20 and an overall increase in fees charged from the preceding year, this was directly attributable to a realignment to the fees charged to all parents during the summer term 2020 as result of the severe interruptions to education brought about by the restrictions of the Covid-19 pandemic.

This realignment totalled some £626,315 and was agreed by Governors as an appropriate and timely response to the government requirement to close the School to normal operations and all but the children of key-worker parents and revert to the provision of remote learning utilising the technology available. Under this provision, parents received credits for services that had been billed in advance but were not provided and were also offered a realignment of the normal tuition fees payable for the School's services; these were agreed on a sliding scale and varied between 20% to 50% of the termly tuition fees, dependent upon the age of the pupil in question.

One mitigating circumstance of the financial intervention of the Covid-19 pandemic and reduced fee receipts and incidental income streams was the School's ability to manage its cost base, despite the artificially high costs of continuing to remain at least partially open during the pandemic, whilst

# **EDGE GROVE SCHOOL TRUST LIMITED (LIMITED BY GUARANTEE)**

## **GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2020**

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preserving all employment not only for its own staff but also those staff engaged by service contractors on site. Operational expenditure during the Summer Term 2020 was reduced across the board despite that increased expenditure in several areas including the provision of appropriate technology to better facilitate remote learning.

Cash balances generated from operating surpluses provided the funding that enabled £1,178,535 (2018/19: £2,998,046) to be allocated to capital projects designed to maintain and improve the School's facilities, primarily towards the completion of the new Apthorp Building. Donations and legacies received or confirmed during the year amounted to £23,624 (2018/19: £75,155). In addition, the School received grants under the Government's Coronavirus Job Retention Scheme to the total of £273,053 between April and August during which period up to 44 staff were "furloughed", all of whom continued to receive 100% of normal salaries.

Overall, the Governors consider that the operating surplus before expenditure on capital projects and other transfers of £442,331 (2018/19: £613,387) represented a strong financial performance under the prevailing circumstances. The Governors consider that the future viability of the School's financial position and stability remains strong whilst respecting the potential challenges to that position from the consequences of the pandemic.

As at 31 August 2020, net consolidated general unrestricted funds stood at £6,563,722 (2019: £6,122,774). These funds were wholly deployed in funding the School's premises, equipment and working capital. The balance of funds needed to finance these items has been provided through long term loans, secured on freehold properties. Faced with reduced fee income due to the pandemic over the period March to August 2019, the School successfully applied for financial support under the Government's Coronavirus Business Interruption Loan Scheme and agreed further bank borrowings secured under this scheme of £730,000. As at 31 August 2020, total long term borrowings (due after more than one year) were £3,439,812 (2019: £2,577,048); an increase of £862,764 over the year. Net cash balances at the year-end totalled £1,582,752 (2019: £967,947), an increase of £614,805, leaving net bank debt at the year-end of £1,857,060 (2019: net bank debt £1,936,770).

### **Reserves Policy and Financial Viability**

Each year a detailed budget and cash flow is produced for the following year and period performance is monitored against those figures. In setting the budget, the Governors' policy is to generate sufficient reserves each year to enable the School to invest in its infrastructure and fulfil its Development Plan, to support and service its borrowings, as well as to provide working capital. The School will utilise all of its reserves in meeting these aims and does not expect to generate free reserves over and above the level required to meet them. Annual cash surpluses representing the School's liquid resources are managed carefully in order to service its working capital requirements. Looking forward, the continued operation of the School, whether closed during lockdown or fully open under restricted operations, will continue to present challenges to the School's finances. Within that context, the current position in January 2021 remains strong with adequate cash reserves and the School's strategy during these periods will be to focus upon the continued provision of its services to pupils, parents and staff alike whilst seeking to maintain adequate reserves for the future.

## **PRINCIPLE RISKS AND UNCERTAINTIES**

### **Risk Management**

The Governors consider the potential impact in all sectors of society of the current Covid-19 pandemic and in particular its impact upon the affordability of fees by parents across the independent sector to be the principal risks faced by the school. This impact has the potential to compound the risks already present prior to the pandemic of a moderately uncertain political landscape and economic future following the implementation of Brexit. They also consider the following areas as being potentially major risks:

- Poor development plans.
- Failures of regulatory compliance across all areas but specifically in Safeguarding, Security or Health & Safety.

# **EDGE GROVE SCHOOL TRUST LIMITED (LIMITED BY GUARANTEE)**

## **GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2020**

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- Reputational damage from adverse publicity.
- Competition from other schools, both independent and maintained.
- Inability to attract and retain quality teaching staff.

The Board of Governors retains detailed consideration of risk management as its direct responsibility and has assessed the major risks to which the School is exposed. The risk management process identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high.

The generic controls used by the School to minimise risk include:

- detailed terms of reference together with formal agendas for Committee and Board activity;
- strategic development planning, reviewed at least annually by the Board;
- comprehensive budgeting and management accounting;
- established organisational structures and lines of reporting;
- formal written policies including clear authorisation and approval levels;
- vetting procedures as required by law for the protection of the vulnerable.

The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks for both the School and its subsidiary. All Governors' committees maintain risk management as a standing item on meeting agendas and each carries out a comprehensive continuous appraisal of the risks applicable to its specific area of responsibility. The Head and Bursar produce commentaries on the most serious risks; actions required to mitigate those risks are identified and progress on their implementation is carefully monitored within each committee. The Board considers all risks at each meeting and a formal Governors' Risk Register is formally endorsed by the Board each year.

The Board recognises that systems cannot provide absolute assurance that all possible risks have been identified or managed.

### **Safeguarding Risk Management**

The overriding duty of charity trustees in Safeguarding matters is the responsibility for ensuring that those benefiting from, or working with, their charity are not harmed in any way through contact with it. They have a legal duty to act prudently and this means that they must take all reasonable steps within their powers to ensure that this does not happen.

The Governors confirm that there have been no incidents in the period that required reporting to the Charity Commission and that they have:

- assessed the safeguarding risks that might arise from their charity's activities and operations;
- created, developed and put in place suitable policies and procedures to handle allegations and incidents;
- undertaken on-going monitoring to ensure effective implementation of those policies and procedures;
- taken steps to ensure that both the board and staff working within the charity respond properly when allegations and incidents arise and report as necessary to the police and other agencies; and
- reviewed policies and procedures both periodically and following serious incidents, using their experience of particular incidents to manage and minimise the risk of something similar happening again by making any necessary changes to the charity's policies and procedures.

### **PLANS FOR THE FUTURE**

#### **Primary Strategic Objectives**

The School's current Development Plan, initially agreed by the Governors in March 2017 and updated in March 2018 and again in March 2019, with its accompanying Strategic Vision which underpins the

# **EDGE GROVE SCHOOL TRUST LIMITED (LIMITED BY GUARANTEE)**

## **GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2020**

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Development Plan. The primary future plans for the School are set out in the core elements of the School's Strategic Vision. These are:

- to continue to ensure the campus has a safe and attractive environment for pupils, staff and visitors alike;
- to provide a happy and secure pastoral environment, suitable for both day and boarding pupils, in which all pupils are offered opportunities for leadership and service to others;
- to provide a stimulating learning environment in which pupils can develop their academic potential to the full;
- to offer all pupils the opportunities of experiencing a broad range of intellectual, cultural, sporting and wider-community influences;
- to maintain the capability of the School to offer education to children whose parents are unable to afford full fees.

### **Specific Objectives for 2020/21**

The School will continue to offer a high quality, all round education in line with the three key elements of its longer term strategy and ethos and aims as detailed above. The Board of Governors has identified the following specific objectives for the forthcoming year 2020/21:

1. Covid-19 – continue to offer a high quality and rich blended learning model to all pupils during the pandemic.
2. In conjunction with the new Head, review, agree and publish revisions to the School development plan.
3. Further development of pastoral care and staff and pupil well-being across all areas of the School including the training of all staff and the establishment of the School's Head of Wellbeing as a centre of excellence and as a mental first aid trainer.
4. Achieve the award of Green Flag as a key element of the School's eco-policies and environmental promotion.

### **DISCLOSURE OF INFORMATION TO AUDITORS**

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

This report, including the Strategic Report, was approved by the Governors, as the Directors and Trustees of the charitable company, on 23<sup>rd</sup> March 2021 and signed on their behalf by:



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Mr I S Elliott  
Chair of Governors

# **EDGE GROVE SCHOOL TRUST LIMITED**

## **(LIMITED BY GUARANTEE)**

### **STATEMENT OF GOVERNORS' RESPONSIBILITIES**

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The governors, who are also the directors for the purposes of company law, are responsible for preparing the Governors' Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard in the UK and Republic of Ireland'.

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

In preparing these financial statements the governors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities' SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will not continue in operation.

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



**EDGE GROVE SCHOOL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS**

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**Opinion**

We have audited the financial statements of Edge Grove School Trust Limited and its subsidiary for the year ended 31 August 2020 set out on pages 16 to 33. 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 the group's surplus or deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

- the governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

**Other information**

The governors are responsible for the other information. The other information comprises the information included in the governors' annual report (incorporating the directors' report and the strategic report), other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**EDGE GROVE SCHOOL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the governors' report (incorporating the directors' report and strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the governors' report (incorporating the directors' report and 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the governors' report (incorporating the directors' report and strategic report).

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

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

**Responsibilities of the 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 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.

**EDGE GROVE SCHOOL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS**

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

**Use of our report**

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

**Mark Cummins FCCA (Senior Statutory Auditor)**

**for and on behalf of**

**TC Group**

**Statutory Auditor**

Office: Steyning, West Sussex

Dated:

**EDGE GROVE SCHOOL TRUST LIMITED**  
(LIMITED BY GUARANTEE)  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
(INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
<b>INCOME FROM:</b>						
Donations and legacies	6	295,462	-	1,215	296,677	75,155
Other trading activities	7	94,314	4,598	-	98,912	118,323
Investments	8	5,844	-	-	5,844	8,897
Charitable activities	9	6,783,137	-	-	6,783,137	7,030,084
Other income	10	-	-	-	-	2,000
<b>Total income</b>		<b>7,178,757</b>	<b>4,598</b>	<b>1,215</b>	<b>7,184,570</b>	<b>7,234,459</b>
<b>EXPENDITURE ON:</b>	11					
Raising funds		143,338	3,696	-	147,034	125,460
Charitable activities		6,594,471	-	734	6,595,205	6,495,612
<b>Total expenditure</b>		<b>6,737,809</b>	<b>3,696</b>	<b>734</b>	<b>6,742,239</b>	<b>6,621,072</b>
<b>Net income/(expenditure)</b>		<b>440,948</b>	<b>902</b>	<b>481</b>	<b>442,331</b>	<b>613,387</b>
Transfers between funds	26	-	-	-	-	-
<b>Net movement in funds</b>		<b>440,948</b>	<b>902</b>	<b>481</b>	<b>442,331</b>	<b>613,387</b>
<b>Fund balances brought forward</b>	26	<b>6,122,774</b>	<b>1,441</b>	<b>6,817</b>	<b>6,131,032</b>	<b>5,517,645</b>
<b>Fund balances carried forward</b>	26	<b>6,563,722</b>	<b>2,343</b>	<b>7,298</b>	<b>6,573,363</b>	<b>6,131,032</b>

All income and gains for the year are recognised above. All of the group's activities are classed as continuing.

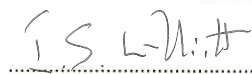
The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**EDGE GROVE SCHOOL TRUST LIMITED**  
(LIMITED BY GUARANTEE)  
**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

Company Number 00947085

	Notes	2020		2019	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	14	10,148,219		9,353,322	
Intangible assets - goodwill	16	<u>236,104</u>		<u>257,568</u>	
			10,384,323		9,610,890
<b>CURRENT ASSETS</b>					
Stock		39,434		12,242	
Debtors	17	100,404		280,382	
Cash at bank and in hand		<u>1,582,752</u>		<u>967,947</u>	
		1,722,590		1,260,571	
<b>CURRENT LIABILITIES</b>					
Creditors due within one year	18	<u>1,171,794</u>		<u>1,483,648</u>	
<b>NET CURRENT LIABILITIES</b>			550,796		(223,077)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			10,935,119		9,387,813
<b>LONG TERM LIABILITIES</b>					
Creditors due after one year	19		4,361,756		3,256,781
<b>NET ASSETS</b>			<u>6,573,363</u>		<u>6,131,032</u>
<b>REPRESENTED BY:</b>	26				
<b>RESTRICTED FUNDS</b>			7,298		6,817
<b>UNRESTRICTED FUNDS</b>					
General funds		6,563,722		6,122,774	
Designated funds		<u>2,343</u>		<u>1,441</u>	
			6,566,065		6,124,215
			<u>6,573,363</u>		<u>6,131,032</u>

The accounts were approved by the Board of Governors and signed on their behalf by:



Mr I S Elliott



Mr C H J Clayden

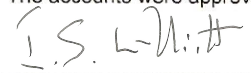
Date: 19/04/2021

**EDGE GROVE SCHOOL TRUST LIMITED**  
(LIMITED BY GUARANTEE)  
**SCHOOL BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

Company Number 00947085

	Notes	2020	2019
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets	14	10,146,388	9,351,377
Investments	15	<u>237,909</u>	<u>259,704</u>
		10,384,297	9,611,081
<b>CURRENT ASSETS</b>			
Stock		39,434	12,242
Debtors	17	100,404	280,382
Cash at bank and in hand		<u>1,582,752</u>	<u>967,947</u>
		1,722,590	1,260,571
<b>CURRENT LIABILITIES</b>			
Creditors due within one year	18	<u>1,171,794</u>	<u>1,483,648</u>
<b>NET CURRENT LIABILITIES</b>		550,796	(223,077)
	19/04/2021		
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		10,935,093	9,388,004
<b>LONG TERM LIABILITIES</b>			
Creditors due after one year	19	4,361,756	3,256,781
<b>NET ASSETS</b>		<u>6,573,337</u>	<u>6,131,223</u>
<b>REPRESENTED BY:</b>	26		
<b>RESTRICTED FUNDS</b>		7,298	6,817
<b>UNRESTRICTED FUNDS</b>			
General funds		6,563,696	6,122,965
Designated funds	19/04/2021	<u>2,343</u>	<u>1,441</u>
		6,566,039	6,124,406
		<u>6,573,337</u>	<u>6,131,223</u>

The accounts were approved by the Board of Governors and signed on their behalf by:



Mr I S Elliott



Mr C H J Clayden

Date: 19/04/2021

**EDGE GROVE SCHOOL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	2020	2019
		£	£
<b>Cash flows from operating activities:</b>			
<b>Net income/expenditure for the year</b>		<b>442,331</b>	<b>613,387</b>
<b>Adjustments for:</b>			
Depreciation charges	14	383,638	308,230
Goodwill amortisation		21,464	21,464
Dividends, interest and rents from investments	8	(5,844)	(8,897)
Finance charges		107,539	80,231
(Increase)/decrease in stocks		(27,192)	(4,065)
(Increase)/decrease in debtors	17	179,978	(28,122)
Increase/(decrease) in creditors	18, 19	9,311	51,653
<b>Net cash provided by/(used in) operating activities</b>		<b>1,111,225</b>	<b>1,033,881</b>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments	8	5,844	8,897
Finance charges		(107,539)	(80,231)
Purchase of tangible fixed assets	14	(1,178,535)	(2,998,046)
<b>Net cash provided by/(used in) investing activities</b>		<b>(1,280,230)</b>	<b>(3,069,380)</b>
<b>Cash flows from financing activities:</b>			
New finance leases		-	41,137
Capital element of hire purchase and finance leases		(11,258)	(19,683)
New bank loans		1,730,000	2,904,717
Repayments of borrowing		(934,255)	(978,986)
<b>Net cash provided by/(used in) financing activities</b>		<b>784,487</b>	<b>1,947,185</b>
<b>Change in cash and cash equivalents in the year</b>		<b>615,482</b>	<b>(88,314)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>967,311</b>	<b>1,055,625</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>1,582,793</b>	<b>967,311</b>
<b>Analysis of cash and cash equivalents</b>			
Cash at bank and in hand		1,582,793	967,947
Bank overdraft		-	(636)
<b>Total cash and cash equivalents</b>		<b>1,582,793</b>	<b>967,311</b>

# EDGE GROVE SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 STATUTORY INFORMATION

The charity is a private company, limited by guarantee, registered in England and Wales. The registered office, company number and charity number are detailed in the Legal and Administrative Information.

### 2 ACCOUNTING POLICIES

#### 2.1 Basis of preparation

The financial statements have been prepared under the Companies Act 2006, The Charities Act 2011, in accordance with the Charities' Statement of Recommended Practice (SORP (FRS 102)) and Financial Reporting Standard 102.

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy.

After reviewing the charity's forecasts and projections, the governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

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

#### 2.2 Group financial statements

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary on a line by line basis. A separate Statement of Financial Activities (including income and expenditure account) for the charitable company has not been presented as the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

#### 2.3 Critical accounting estimates and judgements

In the application of the school's accounting policies, the governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The governors do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

#### 2.4 Income

Fees receivable and charges for services, less any allowances, scholarships and bursaries granted by the school against those fees are accounted for in the period in which the service is provided. Where fees are received for a future service period they are included in deferred income, including those fees received under an advance fee payment scheme.

Investment income is accounted for on an accruals basis.

Donations, legacies, grants and other voluntary income are accounted for as and when entitlement arises, the amount can be reliably measured and the economic benefit is considered probable.

Where a donor or an appeal has imposed restrictions the income is credited to a restricted fund.

Rental income in the subsidiary company is accounted for under the accruals basis.



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**2.5 Expenditure**

Expenditure is accounted for on an accruals basis with irrecoverable VAT included with the item to which it relates.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between expenditure categories and departments on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Freehold land is not depreciated	
Freehold buildings	- 2% straight line
Leasehold buildings	- 2% straight line
Fixtures, fittings and equipment (including IT equipment at 25% straight line)	- 10% and 25% straight line
Motor vehicles	- 25% straight line
Leasehold improvements	5% reducing balance

Minor items of capital expenditure are written off to the Statement of Financial Activities as incurred.

**2.7 Goodwill**

Goodwill arising on the acquisition of the subsidiary is being amortised over its useful life, which is deemed by the governors to be the period of the lease within the subsidiary company which expires in August 2031.

**2.8 Investments**

Fixed asset investment in the charity's subsidiary is included at cost less provision for impairment. The charity purchased the subsidiary to obtain rights to the lease of the nursery buildings. Accordingly the investment is being written down over the term of the lease after which time it is expected that the company will cease to trade.

**2.9 Stock**

Stock is valued at the lower of cost or net realisable value.

**2.10 Leasing and hire purchase commitments**

Rentals under operating leases are charged to income on a straight line basis over the term of the lease.

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and the useful life of the asset. Obligations under such agreements are included as creditors net of the finance charge allocated to future periods. The finance charge element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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**2.11 Pensions**

Teaching staff are members of the Teachers' Pension Scheme (TPS), a defined benefit scheme administered by the Teachers' Pension Agency. Contributions to the scheme are charged to the Statement of Financial Activities as they fall due. The TPS is an unfunded scheme. Contributions on a 'pay as you go' basis are credited to the exchequer under arrangements governed by the Superannuation Act 1972. Actuarial valuations are carried out on a notional set of investments. Under the definitions set out in FRS 102 the TPS is a multi-employer pension scheme. In addition, the charity makes contributions to another defined benefit scheme, The Pensions Trust. The charity is unable to identify its share of the underlying (notional) assets and liabilities of these schemes. Accordingly, under FRS 102 the schemes are accounted for as if they were defined contribution schemes.

The charity also contributes to personal pension schemes for its non-teaching staff.

**2.12 Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount.

**2.13 Cash at bank and in hand**

Cash at bank and in hand includes cash and any short term highly liquid investments. The governors seek to use short and medium term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

**2.14 Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

**2.15 Fund accounting**

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

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

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

**3 TURNOVER**

The turnover of the school and its subsidiary is wholly attributable to the objects of the school and the principal activity of the subsidiary as stated in the Governors' Report and is earned entirely within the UK.

**4 NET INCOME/(EXPENDITURE)**

This is stated after charging:

	2020	2019
	£	£
Depreciation	383,638	308,231
Stock charged as an expense	39,434	12,242
Operating lease payments	62,635	94,151
Auditors' remuneration - audit services	11,600	10,500
Auditors' remuneration - non-audit services	5,470	8,810

**5 TAXATION**

The charitable company is registered as a charity and all of its income falls within the exemptions under Part 11 of the Corporation Tax Act 2010.

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**6 INCOME FROM DONATIONS AND LEGACIES**

	UNRESTRICTED	DESIGNATED	RESTRICTED	TOTAL 2020	TOTAL 2019
	£	£	£	£	£
Donations	22,409	-	1,215	23,624	75,155
Furlough grants (CJRS)	273,053	-	-	273,053	-
	<u>295,462</u>	<u>-</u>	<u>1,215</u>	<u>296,677</u>	<u>75,155</u>

**7 INCOME FROM OTHER TRADING ACTIVITIES**

	UNRESTRICTED	DESIGNATED	RESTRICTED	TOTAL 2020	TOTAL 2019
		£	£	£	£
Lettings income	23,222	-	-	23,222	42,607
Rental income	71,092	-	-	71,092	71,298
Fund raising income	-	4,598	-	4,598	4,418
	<u>94,314</u>	<u>4,598</u>	<u>-</u>	<u>98,912</u>	<u>118,323</u>

**8 INCOME FROM INVESTMENTS**

	UNRESTRICTED	DESIGNATED	RESTRICTED	TOTAL 2020	TOTAL 2019
Interest receivable	5,844	-	-	5,844	8,897
	<u>5,844</u>	<u>-</u>	<u>-</u>	<u>5,844</u>	<u>8,897</u>

**9 INCOME FROM CHARITABLE ACTIVITIES**

	TOTAL 2020	TOTAL 2019
	£	£
Gross school fees	7,923,403	7,401,384
less Covid-19 discount	(626,315)	-
less bursaries and allowances	(652,893)	(563,897)
Net school fees	<u>6,644,195</u>	<u>6,837,487</u>
Add:		
Registration fees	21,969	23,759
Extras income	91,236	119,854
Learning support income	13,373	17,264
Other ancillary income	12,364	31,720
	<u>6,783,137</u>	<u>7,030,084</u>

**10 OTHER INCOME**

	TOTAL 2020	TOTAL 2019
	£	£
Profit on sale of fixed assets	-	2,000

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**11 ANALYSIS OF EXPENDITURE**

	<b>Staff Costs £</b>	<b>Depreciation £</b>	<b>Other costs £</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
<b>Cost of raising funds:</b>					
Other trading activities	9,044	-	30,451	<b>39,495</b>	45,229
Financing costs	-	-	107,539	<b>107,539</b>	80,231
<b>Total cost of raising funds</b>	<b>9,044</b>	<b>-</b>	<b>137,990</b>	<b>147,034</b>	<b>125,460</b>
<b>Charitable expenditure:</b>					
<b>Education</b>					
Teaching	3,828,968	188,422	283,996	<b>4,301,386</b>	4,025,299
Welfare	242,663	-	366,765	<b>609,428</b>	712,076
Premises	260,205	195,215	449,628	<b>905,048</b>	946,265
Support and governance	513,378	21,464	244,501	<b>779,343</b>	811,972
<b>Total charitable expenditure</b>	<b>4,845,214</b>	<b>405,101</b>	<b>1,344,890</b>	<b>6,595,205</b>	<b>6,495,612</b>
<b>Total expenditure</b>	<b>4,854,258</b>	<b>405,101</b>	<b>1,482,880</b>	<b>6,742,239</b>	<b>6,621,072</b>
<b>Analysis of support and governance costs:</b>				<b>2020 £</b>	<b>2019 £</b>
Governance costs:					
Auditors remuneration for audit services				<b>11,600</b>	10,500
Support staff wages relating to governance				<b>14,655</b>	13,715
Total governance costs				<b>26,255</b>	24,215
Support costs:					
Auditors' remuneration for non audit services				<b>5,470</b>	8,810
Legal and professional fees relating to support				<b>41,091</b>	62,631
Support staff wages, national insurance and pension				<b>513,378</b>	461,884
Other support costs				<b>193,149</b>	254,432
				<b>779,343</b>	811,972

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**12 STAFF COSTS**

The average monthly number of full time equivalent employees during the year was:

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Teaching	77	75
Welfare	12	12
Premises	7	7
Administration	14	13
	<b>110</b>	<b>107</b>

The aggregate payroll costs for the year were as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	3,871,846	3,726,802
Social security costs	389,611	352,495
Pension costs	592,801	421,055
	<b>4,854,258</b>	<b>4,500,352</b>

None of the governors received any remuneration or other benefits from the school or any connected body.

Wages and salaries include £Nil (2019: £7,500) ex-gratia costs.

Staff earning in excess of £60,000 per annum in the following bands are:

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
£60,000 - £69,999	3	1
£70,000 - £79,999	1	1
£110,000 - £119,999	-	1
£120,000 - £129,999	1	-

Of the employees whose emoluments exceed £60,000, 1 (2019: 1) has retirement benefits accruing under defined contribution schemes and 4 (2019: 2) have benefits accruing under defined benefit schemes. Contributions payable by the charity to those schemes for higher paid employees were:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Defined contribution schemes	16,963	11,715
Defined benefits schemes	61,165	27,358
	<b>78,128</b>	<b>39,073</b>

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**12 STAFF COSTS - CONTINUED**

The key management personnel of the school are detailed in the Governors' Report and Legal and Administrative Information. In 2020 there are 10 employees (2019: 10 employees).

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Aggregate employee benefits of key management personnel (including employer pension and NI contributions)	<b>877,525</b>	<b>806,025</b>

**13 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES - 31 AUGUST 2019**

	<b>Unrestricted Funds £</b>	<b>Designated Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2019 £</b>
<b>INCOME FROM:</b>				
Donations and legacies	7	72,945	2,203	75,155
Other trading activities	113,905	4,418	-	118,323
Investments	8,897	-	-	8,897
Charitable activities	7,030,084	-	-	7,030,084
Other income	2,000	-	-	2,000
<b>Total income</b>	<b>7,154,893</b>	<b>77,363</b>	<b>2,203</b>	<b>7,234,459</b>
<b>EXPENDITURE ON:</b>				
Raising funds	110,046	14,354	1,060	125,460
Charitable activities	6,495,612	-	-	6,495,612
<b>Total expenditure</b>	<b>6,605,658</b>	<b>14,354</b>	<b>1,060</b>	<b>6,621,072</b>
<b>Net income/(expenditure)</b>	<b>549,235</b>	<b>63,009</b>	<b>1,143</b>	<b>613,387</b>
Transfers between funds	109,543	(88,543)	(21,000)	-
<b>Net movement in funds</b>	<b>658,778</b>	<b>(25,534)</b>	<b>(19,857)</b>	<b>613,387</b>
Fund balances brought forward	5,463,996	26,975	26,674	5,517,645
<b>Fund balances carried forward</b>	<b>6,122,774</b>	<b>1,441</b>	<b>6,817</b>	<b>6,131,032</b>

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**14 TANGIBLE FIXED ASSETS - GROUP**

	Freehold Property	Short Leasehold Property	Fixtures, Fittings & Equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 September 2019	687,285	9,611,508	1,449,270	144,949	<b>11,893,012</b>
Additions	-	975,522	203,013	-	<b>1,178,535</b>
Disposals	-	-	-	-	-
At 31 August 2020	<u>687,285</u>	<u>10,587,030</u>	<u>1,652,283</u>	<u>144,949</u>	<u><b>13,071,547</b></u>
<b>Depreciation</b>					
At 1 September 2019	61,102	1,519,320	867,794	91,474	<b>2,539,690</b>
Charge for year	9,615	185,600	169,888	18,535	<b>383,638</b>
Eliminated on disposal	-	-	-	-	-
At 31 August 2020	<u>70,717</u>	<u>1,704,920</u>	<u>1,037,682</u>	<u>110,009</u>	<u><b>2,923,328</b></u>
<b>Net Book Value</b>					
At 31 August 2020	<u>616,568</u>	<u>8,882,110</u>	<u>614,601</u>	<u>34,940</u>	<u><b>10,148,219</b></u>
At 1 September 2019	<u>626,183</u>	<u>8,092,188</u>	<u>581,476</u>	<u>53,475</u>	<u><b>9,353,322</b></u>

**TANGIBLE FIXED ASSETS - SCHOOL**

	Freehold Property	Short Leasehold Property	Fixtures, Fittings & Equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 September 2019	687,285	9,606,058	1,449,270	144,949	<b>11,887,562</b>
Additions	-	975,522	203,013	-	<b>1,178,535</b>
Disposals	-	-	-	-	-
At 31 August 2020	<u>687,285</u>	<u>10,581,580</u>	<u>1,652,283</u>	<u>144,949</u>	<u><b>13,066,097</b></u>
<b>Depreciation</b>					
At 1 September 2019	61,102	1,515,815	867,794	91,474	<b>2,536,185</b>
Charge for year	9,615	185,486	169,888	18,535	<b>383,524</b>
Eliminated on disposal	-	-	-	-	-
At 31 August 2020	<u>70,717</u>	<u>1,701,301</u>	<u>1,037,682</u>	<u>110,009</u>	<u><b>2,919,709</b></u>
<b>Net Book Value</b>					
At 31 August 2020	<u>616,568</u>	<u>8,880,279</u>	<u>614,601</u>	<u>34,940</u>	<u><b>10,146,388</b></u>
At 1 September 2019	<u>626,183</u>	<u>8,090,243</u>	<u>581,476</u>	<u>53,475</u>	<u><b>9,351,377</b></u>

**ASSETS ON FINANCE LEASES AND HIRE PURCHASE - GROUP AND SCHOOL (included above)**

	Fixtures, Fittings & Equipment £
<b>Cost</b>	
At 1 September 2019	41,137
Additions	-
At 31 August 2020	<u>41,137</u>
<b>Depreciation</b>	
At 1 September 2019	6,856
Charge for year	10,284
At 31 August 2020	<u>17,140</u>
<b>Net Book Value</b>	
At 31 August 2020	<u>23,997</u>
At 1 September 2019	<u>34,281</u>

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**15 INVESTMENTS IN SUBSIDIARIES**

	<b>2020</b>
	<b>£</b>
<b>Cost</b>	
At 1 September 2019 and 31 August 2020	<u><b>317,822</b></u>
<b>Impairment</b>	
At 1 September 2019	58,118
Impairment in year	<u>21,795</u>
At 31 August 2020	<u><b>79,913</b></u>
<b>Net book value</b>	
At 31 August 2020	<u><u><b>237,909</b></u></u>
At 1 September 2019	<u><u>259,704</u></u>

The school owns 100% of the share capital of the following company:  
Edge Grove Nursery School Limited, company number 03830269, registered in England and Wales  
(purchased 19 December 2016)

	<b>2020</b>
	<b>£</b>
Summary trading results:	
Turnover	<b>63,500</b>
Administrative expenses	<u><b>(63,614)</b></u>
Net profit/(loss)	<u><u><b>(114)</b></u></u>
Summary balance sheet:	
Fixed assets	<b>1,831</b>
Current assets	-
Creditors falling due within one year	-
Net assets	<u><u><b>1,831</b></u></u>
Aggregate share capital and reserves	<u><u><b>1,831</b></u></u>

**Contribution by parent company**

The parent charity contribution to the results for the year is as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Income	<b>7,184,570</b>	7,234,459
Expenditure	<u><b>(6,742,456)</b></u>	<u>(6,620,745)</u>
Net income/(expenditure) for the year	<u><u><b>442,114</b></u></u>	<u><u>613,714</u></u>

**16 GOODWILL ON CONSOLIDATION**

	<b>£</b>
<b>Cost</b>	
At 1 September 2019 and 31 August 2020	<u><b>314,891</b></u>
<b>Amortisation</b>	
At 1 September 2019	57,323
Charge for year	<u>21,464</u>
At 31 August 2020	<u><b>78,787</b></u>
<b>Net Book Value</b>	
At 31 August 2020	<u><u><b>236,104</b></u></u>
At 1 September 2019	<u><u>257,568</u></u>



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**17 DEBTORS**

	<b>Group</b>		<b>School</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fee debtors	<b>335</b>	123,643	<b>335</b>	123,643
Prepayments and accrued income	<b>81,217</b>	133,219	<b>81,217</b>	133,219
Other debtors	<b>18,852</b>	23,520	<b>18,852</b>	23,520
	<b>100,404</b>	280,382	<b>100,404</b>	280,382

**18 CREDITORS: due within one year**

	<b>Group</b>		<b>School</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<b>260,609</b>	328,305	<b>260,609</b>	328,305
Finance leases and hire purchase	<b>17,641</b>	18,019	<b>17,641</b>	18,019
Trade creditors	<b>28,791</b>	115,186	<b>28,791</b>	115,186
Accruals	<b>238,480</b>	231,605	<b>238,480</b>	231,605
Fees in Advance	<b>335,191</b>	376,517	<b>335,191</b>	376,517
Advance fee payment scheme	<b>148,204</b>	279,241	<b>148,204</b>	279,241
Deposits	<b>40,000</b>	40,000	<b>40,000</b>	40,000
Other taxes and social security	<b>102,878</b>	94,775	<b>102,878</b>	94,775
	<b>1,171,794</b>	1,483,648	<b>1,171,794</b>	1,483,648

Fees in advance represent fees received for the Autumn term 2020.

**19 CREDITORS: due after one year**

	<b>Group</b>		<b>School</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans	<b>3,439,812</b>	2,577,048	<b>3,439,812</b>	2,577,048
Finance leases and hire purchase	<b>15,114</b>	25,994	<b>15,114</b>	25,994
Advance fee payment scheme	<b>557,715</b>	346,624	<b>557,715</b>	346,624
Deposits	<b>349,115</b>	307,115	<b>349,115</b>	307,115
	<b>4,361,756</b>	3,256,781	<b>4,361,756</b>	3,256,781

**20 ADVANCE FEE PAYMENT SCHEME**

	<b>£</b>
Balance at 1 September 2019	625,865
New contracts	561,624
Amounts used to pay for fees	(481,570)
Balance at 31 August 2020	<b>705,919</b>

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**20 ADVANCE FEE PAYMENT SCHEME - CONTINUED**

Parents may enter into a contract to pay the school in advance for contributions towards tuition fees. The money may be returned subject to specific conditions on the receipt of notice. Assuming that the pupils remain at the school fees will be applied as follows:

	£
Within one year	148,204
Within 1 -5 years	557,715
	<u>705,919</u>

**21 ANALYSIS OF SECURED DEBTS - SCHOOL AND GROUP**

Bank loans are wholly repayable in instalments as follows:

	2020 £	2019 £
Less than one year	260,650	327,669
In more than one year but less than five years	3,328,414	1,109,513
In more than five years	111,398	1,467,535
	<u>3,700,462</u>	<u>2,904,717</u>

The bank overdraft facility and loans are secured by a first land charge over 3 Horwood Cottages, 9 & 11 High Cross and 1 & 2 Roundbush Cottages along with a debenture in favour of Barclays Bank plc.

The bank loans are due to mature in 2023 and 2024, they have floating interest rates with a margin of 1.75% and 2.75%. They are being repaid in monthly instalments. During the year an additional CBIL loan for £730,000 was drawdown. The new loan has a floating interest rates with a margin of 2%. It is repayable in 2026.

Net obligations payable under hire purchase and lease contracts:

	2020 £	2019 £
Within one year	17,641	18,019
Between one and five years	15,114	25,994
	<u>32,755</u>	<u>44,013</u>

**22 COMMITMENTS UNDER OPERATING LEASES**

At 31 August 2020 the school had total commitments under non-cancellable operating leases payable as follows:

	Land & Buildings		Other	
	2020 £	2019 £	2020 £	2019 £
Within one year	50,000	50,000	25,632	10,776
Between one and five years	200,000	200,000	61,272	360
Over five years	1,200,000	1,250,000	-	-
	<u>1,450,000</u>	<u>1,500,000</u>	<u>86,904</u>	<u>11,136</u>

Additionally, Edge Grove Nursery School Ltd has lease commitments on property totalling £762,000 over the term of the lease, which expires in August 2031, from an annual rent charge of £63,500.

**EDGE GROVE SCHOOL TRUST LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**23 PENSION COMMITMENTS**

During the year, the School participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff; this arrangement ceased on 31 August 2021. The pension charge for the year includes contributions payable to the TPS of £518,065 (2019: £319,609) and at the year-end £nil (2019 - £nil) 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 the consultation and the cost cap mechanism review are 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.

The school also contributes to defined contribution schemes on behalf of its other staff. Employer contributions payable to these schemes were £72,267 (2019: £67,302) and at the year end £70 (2019: £27) was accrued in respect of contributions to these schemes.

**24 SHARE CAPITAL AND CONTROL**

The charity is limited by guarantee and does not have any share capital. In the event of a winding up each member guarantees to contribute an amount of no more than £1.

**25 RELATED PARTIES**

The school has taken advantage of the exemption, under Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

There were no other related party transactions in either 2020 or 2019.

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**26 SUMMARY OF FUND MOVEMENTS**

	At 1.9.19	Income	Expenses	Transfers	Gains/ (losses)	At 31.8.20
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
Designated Funds	1,441	4,598	(3,696)	-	-	<b>2,343</b>
General reserves	6,122,774	7,178,757	(6,737,809)	-	-	<b>6,563,722</b>
	<u>6,124,215</u>	<u>7,183,355</u>	<u>(6,741,505)</u>	<u>-</u>	<u>-</u>	<u><b>6,566,065</b></u>
<b>Restricted Funds</b>						
Bursary & Hardship funds	6,817	1,215	(734)	-	-	<b>7,298</b>
	<u>6,817</u>	<u>1,215</u>	<u>(734)</u>	<u>-</u>	<u>-</u>	<u><b>7,298</b></u>
<b>Total funds</b>	<u>6,131,032</u>	<u>7,184,570</u>	<u>(6,742,239)</u>	<u>-</u>	<u>-</u>	<u><b>6,573,363</b></u>

**Unrestricted funds:**

The governors have designated funds raised by the Friends of Edge Grove and from other fund raising activities toward future capital and maintenance projects.

**Restricted funds:**

The bursary fund represents donations from leavers towards future bursary provisions. The school also raised monies during the year toward a COVID-19 Hardship fund.

**27 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2020 £
<b><u>31st August 2020</u></b>				
Fixed assets	10,384,323	-	-	<b>10,384,323</b>
Current assets	1,712,949	2,343	7,298	<b>1,722,590</b>
Creditors: less than one year	(1,171,794)	-	-	<b>(1,171,794)</b>
Creditors: over one year	(4,361,756)	-	-	<b>(4,361,756)</b>
	<u>6,563,722</u>	<u>2,343</u>	<u>7,298</u>	<u><b>6,573,363</b></u>
	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2019 £
<b><u>31st August 2019</u></b>				
Fixed assets	9,610,890	-	-	<b>9,610,890</b>
Current assets	1,252,313	1,441	6,817	<b>1,260,571</b>
Creditors: less than one year	(1,483,648)	-	-	<b>(1,483,648)</b>
Creditors: over one year	(3,256,781)	-	-	<b>(3,256,781)</b>
	<u>6,122,774</u>	<u>1,441</u>	<u>6,817</u>	<u><b>6,131,032</b></u>

**28 CAPITAL COMMITMENTS**

During the year the school completed a project to construct a new lower school building. The works were completed in November 2019 and a final account has not yet been agreed with the contractors. The total amount contracted for but not provided for in the financial statements in relation to this project is £117,272.