

**WESTONBIRT SCHOOLS LIMITED (Limited by Guarantee)**

Financial Statements for the year ended 31 May 2020

Together with Directors' and Auditor's Reports

Company Registration No. 230224

Registered Charity No. 311715

# WESTONBIRT SCHOOLS LIMITED

## DIRECTORS AND OFFICERS

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### Directors

Dermot James McMeekin MBA (Chair)

Patricia Karen Broomhead

Thomas Benedict Gaffney MBA

Jenefer Dawn Greenwood OBE, BSc, FRICS

Philippa Margaret Curzon Leggate BA, MEd, PGCE

Henrietta Cecily Metters BSc \*\*

Charles John Calcraft Wyld MA (Oxon)\*\*

\*\* nominated by the Martyrs Memorial and Church of England Trust

### Company Secretary

Michael Beauchamp Mansel Porter BA MSc

### Registered Office

Stable Cottage  
Eckington Road  
Birlingham  
Pershore  
Worcestershire  
WR10 3DA

### Principal Office

Stable Cottage  
Eckington Road  
Birlingham  
Pershore  
Worcestershire  
WR10 3DA

### Solicitors

Charles Russell Speechlys LLP  
Compass House  
Lypiatt Rd  
Cheltenham  
GL50 2QJ

### Independent Auditors

Saffery Champness LLP  
71 Queen Victoria Street  
London  
EC4V 4BE

### Bankers

Barclays Bank Plc  
Wytham Court  
11 West Way  
Oxford  
OX2 0JB

### Investment Managers

Brewin Dolphin  
The Paragon Building  
32 Counterslip  
Bristol  
BS1 6BX

# **WESTONBIRT SCHOOLS LIMITED**

## **DIRECTORS'/TRUSTEES' REPORT**

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### **Financial Statements**

The Directors of Westonbirt Schools Limited, who are also trustees of the charity for the purposes of Charity Law and the Directors of the Company for the purposes of Company law (and will be referred to throughout these accounts as the "Directors"), present their annual report and the audited financial statements of the Company for the year ended 31 May 2020.

### **Statement of Directors' Responsibilities**

The Directors, who are trustees of the charity, are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

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

### **Governance**

The Directors are responsible for the overall management and control of Westonbirt Schools Limited and meet annually. A sub-committee, the Executive Committee, comprising the Chairman and three Directors with expertise in legal, financial and property matters oversees the conduct of the charity between meetings of the Board of Directors.

The Company's Memorandum of Association dated 4 May 1928 (altered by Special Resolution on 25 September 1951) empowers it to invest and deal with the moneys of the Company not immediately required as it thinks fit.



## **WESTONBIRT SCHOOLS LIMITED DIRECTORS'/TRUSTEES' REPORT**

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From 31 May 2019 the day to day running of the charity was delegated to the General Manager of Allied Schools Agency who is also Company Secretary and who maintains regular contact with the Directors. There are no fulltime employees; the Company pays an agreed monthly fee to Allied Schools Agency Limited for the work of the General Manager and accounting services and the General Manager is remunerated as Company Secretary.

New Directors are appointed by existing Directors, and care is taken to ensure that all necessary skills and experience are represented.

Each new Director is provided a comprehensive briefing on the Company, its history and the current relationship with Westonbirt Limited and its parent company and is expected to attend one of the regularly available training courses for new charity trustees if needed.

### **Constitution**

The Company is limited by guarantee and each of its members, being appointed by the Martyrs Memorial and Church of England Trust, has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the Company in the event of the same being wound up and the assets being insufficient to cover the Company's debts and liabilities. The Company is a registered charity.

The Company's governing document is its Articles of Association, as most recently amended on 6<sup>th</sup> October 2020 by Special Resolution. Westonbirt Schools Limited is a member of the Allied Schools Group of educational charities, all of which were founded or acquired by the Martyrs' Memorial and Church of England Trust (MMT). On 26 September 2013 the Allied Schools signed a management agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency to oversee the performance of the charities and to monitor their adherence to the foundational religious principles on behalf of MMT.

### **Objectives and Activities**

The Company's principal charitable objective is to establish and maintain a school at Westonbirt in Gloucestershire at which girls and boys are educated according to the Protestant principles of the Church of England.

Following a restructure in 2018, the Company leases the premises to Westonbirt Limited, a subsidiary of Wishford Schools (Group) Limited, which now operates Westonbirt School and Westonbirt Prep on the estate.

A separate Charitable Trust, The Holfords of Westonbirt Trust (Registered Charity 1124066), (HoWT) was established in 2006 to restore, repair and conserve the historical aspects of the original Holford buildings and the gardens, and is also a great support to the Company. In 2010 the Trust was granted a 99 year lease of the relevant grounds; the schools in turn have the guaranteed use of the grounds for normal school purposes during term time. Over the summer of 2020 substantial works to restore and repair the lake and the Grotto, and associated works were completed; these were funded by HoWT at a cost of over £300,000.

The Directors' principal objective is to ensure that the estate at Westonbirt continues to provide a suitable location for the operation of a school, which currently educates over 450 children. Under the terms of the Business Transfer Agreement (BTA), between the Company and Westonbirt Limited, the schools operated by Westonbirt Limited will continue to educate children in accordance with the



## **WESTONBIRT SCHOOLS LIMITED DIRECTORS'/TRUSTEES' REPORT**

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Protestant traditions of the Church of England. The Directors are committed to ensuring that the buildings are maintained safely and to a high standard and in line with the demands of leading independent schools.

### **Public Benefit**

The Directors have given careful consideration to the Charity Commission's general guidance on Public Benefit and will continue, as they have in the past to award bursaries to pupils who could not otherwise afford to attend an independent school.

### **Estates**

The Directors have entered into an arrangement with a firm of professional surveyors whose remit is to evaluate the priority areas of the buildings and estate for investment by the tenant and to ensure that the spending commitment by Westonbirt Limited is met over the period of the lease. As a consequence of the Coronavirus (Covid-19) pandemic the planned works for the year ending 31 August 2020 could not be completed due to closure of the site and difficulties with obtaining the necessary consents. The Directors therefore have agreed with Wishford Limited to reschedule the programme of approved works so that the capital expenditure improvement spending commitment is back on plan by 31 August 2022.

### **Financial Review**

Total income for the year was £148,744 (2019: £190,216).

The overall net movement in funds is a surplus of £101,329 for the year (2019: surplus of £77,020 which related to £152,961 from continuing operations and deficit of £75,941 from discontinued operations).

In the prior year the loss on discontinued operations reflects costs incurred during the year ended 31 May 2019 to effect the transfer of school operations to Westonbirt Limited.

### **Investment Policy**

The investment funds at the Company's disposal consist of a Scholarships, Bursaries and Prizes fund. The investment policy agreed by the Directors is to obtain a balanced return from income and capital growth, with no more than a medium level of risk. The funds are held within a portfolio managed on this basis by Brewin Dolphin. The Directors have evaluated the performance of the investments in the year against their stated objectives and, allowing for the impact of Covid-19 on market conditions, consider the performance satisfactory.

### **Reserves and financial viability**

The charity's reserves policy is to maintain unrestricted cash reserves to enable it to meet its short-term financial obligations.

The Directors have approved a budget for the current year in which rental income exceeds committed annual expenditure.

Throughout the period of the Coronavirus pandemic Westonbirt Limited and the tenants of Rose Cottage have continued to pay rent on time and in full; the Company's income for the year was in line with budget and there is no reason to believe that the income for the current year will be less than budgeted. Operating costs have also remained unaffected by the pandemic and cash flow projections for the current year remain positive. The Company does not have any full time employees and had no

## **WESTONBIRT SCHOOLS LIMITED DIRECTORS'/TRUSTEES' REPORT**

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need to participate in any of the Government's business support schemes which were made available during the Coronavirus crisis. The operating budget for the current year shows a surplus of over 50% of income, of which a substantial part (75%) is committed to the TPT Retirement Solutions Growth Plan deficit reduction programme. Directors intend to repay part of the debt to Allied Schools Agency Limited, when cash balances allow. Trustees have prepared contingency plans on actions that could be taken to mitigate the impact of any shortfall in the expected annual revenue.

### **Principal Risks and Uncertainties**

The Board of Directors is responsible for the management of risks faced by Westonbirt Schools Limited, and puts in place measures for their mitigation as part of an annual process. Directors consider that failure by the purchasers to perform their obligations under the BTA and lease is the key uncertainty for the charity.

Therefore, the principal risk and uncertainty is the continued success of Westonbirt Limited in operating schools at Westonbirt during the on-going Coronavirus pandemic. Throughout the period since the identification of Covid-19, Directors have maintained communication with both tenants and took the initiative to agree with Westonbirt Limited and their parent company a pragmatic solution to the challenge presented at Westonbirt of fulfilling their commitments on capital expenditure on the maintenance of the buildings. This had the effect of supporting Westonbirt Limited through the pandemic. Directors have been informed by Westonbirt Limited's parent company that the school at Westonbirt is operating well in the academic year commencing in September 2020, with over 450 pupils across the senior and junior parts of the school; this figure represents an increase of nearly 50% since May 2018 in numbers of pupils educated at Westonbirt. The transition to a Co-education model has been warmly received by parents in the catchment area, with boys representing 40% of pupils in the year groups which have transitioned to date. The school welcomed 50 new pupils into Year 7 at the start of the 2020/21 academic year, more than doubling the recent historical average, suggesting that it is weathering the effects of the pandemic in good shape. Westonbirt is extending the Co-educational offer into the Sixth Form from September 2021 adding further prospects of pupil number growth, as well as better prospects of retaining girls into the Sixth Form. Based on the information provided by Westonbirt Limited Directors believe that the schools at Westonbirt will continue to operate on the estate.

Directors have taken reasonable steps to avoid triggering the potential liability which would be crystallised if the charity withdraws from the TPT Retirement Solutions Growth Series pension scheme.

### **Looking Forward**

The Directors anticipate that they will continue to meet the charitable object of the Company in the same manner for the foreseeable future. The Martyrs' Memorial Trust will supervise the schools' maintenance of and commitment to the Protestant principles of the Church of England by maintaining contact with the chaplain and by visiting the schools.

Directors will consider applications from the Head teacher for the award of bursaries to pupils in need of financial support.



## WESTONBIRT SCHOOLS LIMITED DIRECTORS'/TRUSTEES' REPORT

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### Directors

The following Directors held office during the year commencing 1 June 2019:

Dermot James McMeekin MBA (Chairman)

Patricia Karen Broomhead

Thomas Benedict Gaffney MBA

Jenefer Dawn Greenwood OBE, BSc, FRICS

Philippa Margaret Curzon Leggate BA, MEd, PGCE

Henrietta Cecily Metters BSc \*\*

Charles John Calcraft Wyld MA (Oxon) \*\*

The Directors, who are also the charity trustees and constitute the Board of Directors, are elected by other Directors, except that two Directors shall be nominated by the Martyrs Memorial and Church of England Trust (MMT) if the total number does not exceed twelve, three if the total number exceeds twelve but does not exceed eighteen, and four if the total number exceeds eighteen (the maximum number allowable being twenty). The Directors nominated by MMT are indicated by \*\* in the above list. None of the Directors had a beneficial interest in any contract to which the Company was a party during the year.

This report was prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 21 October 2020 and signed on its behalf by:



**Dermot James McMeekin MBA**  
**Chair of the Trustees**



**WESTONBIRT SCHOOLS LIMITED**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**  
**FOR THE YEAR ENDED 31 MAY 2020**

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**Opinion**

We have audited the financial statements of Westonbirt Schools Limited for the year ended 31 May 2020 which comprise the Statement of Financial Activities, Summary Income and Expenditure Account, Balance Sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the Charitable Company's state of affairs as at 31 May 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

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

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

**WESTONBIRT SCHOOLS LIMITED**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**  
**FOR THE YEAR ENDED 31 MAY 2020**

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We have nothing to report in this regard.

**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 Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

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

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 1, the trustees (who are also the directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

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.



**WESTONBIRT SCHOOLS LIMITED**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**  
**FOR THE YEAR ENDED 31 MAY 2020**

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

**Use of our report**

This report is made solely to the Charitable Company's members and the trustees, 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 and trustees 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, the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Cara Turlington (Senior Statutory Auditor)  
For and on behalf of

Saffery Champness LLP  
Chartered Accountants  
Statutory Auditors  
71 Queen Victoria Street  
London  
EC4V 4BE

Date: 3 November 2020

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



**WESTONBIRT SCHOOLS LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MAY 2020**

	Notes	Unrestricted 2020 £	Restricted 2020 £	Total Year 31 May 2020 £	Total Year 31 May 2019 £
<b>Income from:</b>					
<b>Investments</b>					
Rents receivable		144,327	-	144,327	144,327
Investment income		-	4,417	4,417	5,198
<b>Donations</b>		-	-	-	40,690
<b>Total income</b>		<b>144,327</b>	<b>4,417</b>	<b>148,744</b>	<b>190,216</b>
<b>Expenditure on:</b>					
<b>Raising funds</b>					
Finance costs		1,547	2,008	3,555	4,683
<b>Charitable activities</b>					
Provision of education		28,128	6,000	34,128	99,516
<b>Total expenditure</b>	<b>2</b>	<b>29,675</b>	<b>8,008</b>	<b>37,683</b>	<b>104,199</b>
Net (losses)/gains on investments	<b>5</b>	-	(9,470)	(9,470)	(7,997)
<b>Net income/(expenditure)</b>		<b>114,652</b>	<b>(13,061)</b>	<b>101,591</b>	<b>78,020</b>
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension scheme		(262)	-	(262)	(1,000)
<b>Net Movement in Funds</b>		<b>114,390</b>	<b>(13,061)</b>	<b>101,329</b>	<b>77,020</b>
Fund balance brought forward at 1 June 2019		2,942,289	186,328	3,128,617	3,051,597
<b>Fund balance carried forward at 31 May 2020</b>	<b>11</b>	<b>3,056,679</b>	<b>173,267</b>	<b>3,229,946</b>	<b>3,128,617</b>

A number of activities were discontinued in previous years. Costs incurred in 2019 relating to these are presented separately on the summary income and expenditure account on page 10. The accompanying notes are an integral part of these financial statements.

**WESTONBIRT SCHOOLS LIMITED**  
**SUMMARY INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MAY 2020**

	Continuing operations	Discontinued operations	Total year ended 31 May	Continuing operations	Discontinued operations	Total 9 months 31 May
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
<b>Income from:</b>						
<b>Investments</b>						
Rents receivable	144,327	-	144,327	144,327	-	144,327
Investment income	4,417	-	4,417	5,198	-	5,198
<b>Grants and donations</b>	-	-	-	40,690	-	40,690
<b>Total</b>	<b>148,744</b>	<b>-</b>	<b>148,744</b>	<b>190,216</b>	<b>-</b>	<b>190,216</b>
<b>Expenditure on:</b>						
<b>Raising funds</b>	3,555	-	3,555	4,683	-	4,683
<b>Charitable activities</b>	34,128	-	34,128	23,575	75,941	99,516
<b>Total</b>	<b>37,683</b>	<b>-</b>	<b>37,683</b>	<b>28,258</b>	<b>75,941</b>	<b>104,199</b>
Net gains/(losses) on investments	(9,470)	-	(9,470)	(7,997)	-	(7,997)
Actuarial gains/(losses) on defined benefit pension scheme	(262)			(1,000)	-	(1,000)
<b>Net income/ (expenditure)</b>	<b>101,329</b>	<b>-</b>	<b>101,329</b>	<b>152,961</b>	<b>(75,941)</b>	<b>77,020</b>

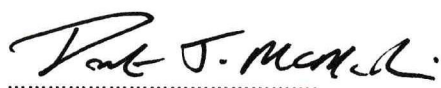
The summary income and expenditure is presented to show the effect of discontinued activities and is extracted from the information on the Statement of Financial Activities on page 9. All of the discontinued activities relate to unrestricted funds.

**WESTONBIRT SCHOOLS LIMITED**  
**BALANCE SHEET**  
**AS AT 31 MAY 2020**

	Notes	2020 £	2019 £
<b>Tangible Fixed Assets</b>	<b>4</b>	3,900,000	3,900,000
<b>Investments</b>			
Other Investments	<b>5</b>	173,524	186,328
		<u>173,524</u>	<u>186,328</u>
<b>Current Assets</b>			
Debtors	<b>6</b>	1,798	1,456
Cash at bank and in hand		7,439	11,267
		<u>9,237</u>	<u>12,723</u>
<b>Creditors: amounts falling due within one year</b>	<b>7</b>	(127,000)	(137,943)
<b>Net Current Liabilities</b>		<u>(117,763)</u>	<u>(125,220)</u>
<b>Total Assets less Current Liabilities</b>		<u>3,955,761</u>	<u>3,961,108</u>
Creditors: amounts falling due after more than one year	<b>8</b>	(611,355)	(696,986)
Provisions	<b>12</b>	(114,460)	(135,505)
<b>Net Assets</b>		<u><b>3,229,946</b></u>	<u><b>3,128,617</b></u>
<b>Funds</b>	<b>10</b>		
Restricted funds		173,267	186,328
Unrestricted funds:		3,056,679	2,942,289
<b>Total funds</b>		<u><b>3,229,946</b></u>	<u><b>3,128,617</b></u>

These financial statements have been prepared in accordance with the provisions applicable to small companies.

The financial statements on pages 9 to 23 were approved by the board of Directors on 21 October 2020 and signed on its behalf by:



Dermot James McMeekin MBA  
Chair

**Company number: 230224 (England and Wales)**

The accompanying notes are an integral part of these financial statements.



**1 Accounting Policies**

**1.1 Basis of Accounting**

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

The Company meets the definition of a public benefit entity under FRS 102.

The accounts are prepared in sterling which is the functional currency of the Company.

**1.2 Going Concern**

In preparing these financial statements the Directors have reviewed future cash flow forecasts and budgets and consider that future activities of the Company will generate sufficient cash to allow the Company to continue to operate for the foreseeable future. Having carefully considered the Company's financial plans and position, including the impact of Covid-19, the Directors are confident in the Company's ability to meet its targets. For this reason, they continue to adopt the going concern basis of accounting.

**1.3 Income and Expenditure**

Income and expenditure is included in the financial statements on an accruals basis.

Income is recognised when the charity is entitled to it, the amount can be reliably measured and receipt is probable.

Expenditure is allocated to expense headings either on a direct cost basis, or apportioned according to management estimates of time spent or space occupied, as appropriate.

Support costs are administration and other support costs incurred in supporting the charitable activities. Governance costs are those incurred in complying with statutory requirements and governance matters.

**1.4 Tangible Fixed Assets (freehold property)**

Expenditure relating to the acquisition of and extensions to freehold land and buildings together with the initial equipping thereof is capitalised and is stated in the financial statements at cost less depreciation and any provision for impairment.

No depreciation is charged on Freehold Land.

Land and buildings are reviewed annually for impairment.

**1 Accounting Policies (continued)**

**1.5 Pensions**

The charity's employee is a member of TPT Retirement Solutions' Growth Plan. The Growth Plan is a multi-employer defined benefit pension scheme. It is not possible for the Company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme. The Company has a commitment to fund the deficit in the scheme at a fixed rate, in accordance with an agreed schedule of contributions. This commitment is accounted for at the point the charity is notified of the amount payable and is discounted to its net present value. More details of this scheme are given in Note 12.

**1.6 Investments**

The investments are stated at market value, less any provision for permanent diminution in value. Market value is taken to be the mid-market price ruling at the balance sheet date.

**1.7 Financial instruments**

Excluding investments, the Company only has financial assets and liabilities of a kind that qualify as basic financial instruments (i.e. debtors and creditors).

**1.8 Critical estimates and judgements**

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In making these estimates the charity makes assumptions concerning the future. The Directors do not believe that there is a significant risk of a material adjustment being made to the carrying amounts of assets and liabilities included in these financial statements within the next financial year.

Key estimates include the assumptions made by the actuary in valuing the pension liability (see note 12 for further details).

**WESTONBIRT SCHOOLS LIMITED**  
**NOTES TO THE ACCOUNTS**  
**AS AT 31 MAY 2020**

**2 Analysis of total resources expended**

<b>Current year</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>31 May 2020</b>
	<b>£</b>	<b>£</b>	<b>Total</b>
			<b>£</b>
<b>Raising funds</b>			
Finance costs	1,547	2,008	3,555
	<b>1,547</b>	<b>2,008</b>	<b>3,555</b>
<b>Charitable activities</b>			
Bursary awards	-	6,000	6,000
Support costs	18,088	-	18,088
Governance costs	10,040	-	10,040
	<b>28,128</b>	<b>6,000</b>	<b>34,128</b>
<b>Total expenditure</b>	<b>29,675</b>	<b>8,008</b>	<b>37,683</b>

<b>Comparative year</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>31 May 2019</b>
	<b>£</b>	<b>£</b>	<b>Total</b>
			<b>£</b>
<b>Raising funds</b>			
Finance costs	2,551	2,132	4,683
	<b>2,551</b>	<b>2,132</b>	<b>4,683</b>
<b>Charitable activities</b>			
Bursary awards	-	9,000	9,000
Support costs	72,676	-	72,676
Governance costs	17,840	-	17,840
	<b>90,516</b>	<b>9,000</b>	<b>99,516</b>
<b>Total expenditure</b>	<b>93,067</b>	<b>11,132</b>	<b>104,199</b>

Expenditure includes:

	<b>31 May 2020</b>	<b>31 May 2019</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration (excluding VAT) for:		
Audit services		
- Current year	5,500	6,250
- Prior year	-	2,000
Other services	700	22,027



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**3 Staff Costs**

	<b>31 May 2020 £</b>	<b>31 May 2019 £</b>
Total staff costs comprised:		
Wages and salaries	496	83
Social security costs	-	-
Pensions contributions		
- Interest expense on defined benefit pension scheme	1,652	3,000
- Net credit/ expense in relation to changes to estimated Pensions Trust pension liability (see note 12 for further details)	-	(16,000)
	<u>2,148</u>	<u>(12,917)</u>
The average numbers of employees in the period were:	<b>2020 Number</b>	<b>2019 Number</b>
Management & administration	1	1
	<u>1</u>	<u>1</u>

There are no employees whose emoluments exceeded £60,000 on a pro rata basis (2019: none).

	<b>31 May 2020 £</b>	<b>31 May 2019 £</b>
Aggregate employment benefits of key management personnel	496	83

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**4 Tangible fixed assets**

	<b>Freehold property</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 June 2019 and 31 May 2020	5,823,282	5,823,282
<b>Depreciation</b>		
At 1 June 2019 and 31 May 2020	1,923,282	1,923,282
<b>Net Book Value</b>		
At 1 June 2019 and 31 May 2020	<u>3,900,000</u>	<u>3,900,000</u>

The Company continues to hold freehold interests in the properties on the Westonbirt site. Following the completion of the transfer in 2018 the Directors reviewed the remaining book value of the freehold property. They considered its value in use to have reduced significantly as the nature of its usage had changed. They therefore recorded an impairment of £1,886,750 in the financial statements for the period ended 31 May 2018, reducing the net book value of the site to £3,900,000.

As part of the restructure process of the business, the Directors also commissioned a Qualified Surveyors' Report from Aitchison Rafferty which confirmed that, after considering the terms of the Business Transfer Agreement (BTA) and terms of the lease, the valuation after impairment represented fair value of the Company's assets. Aitchison Rafferty confirmed also that these were the best terms that were likely to be obtained at the time of the restructure. The Directors consider the Aitchison Rafferty 2018 valuation to be a reliable basis for current valuation of the fixed assets because it is underpinned by an Option Agreement.

The property is still considered to be an operating asset of the Company.

**5 Investments**

	<b>2020 £</b>	<b>2019 £</b>
Balance brought forward	186,328	246,265
Proceeds from disposals	(139,147)	(74,768)
Purchases	131,175	66,540
Net (losses)/ gains	(9,470)	(7,997)
Movement on investment cash	<u>4,638</u>	<u>(43,712)</u>
Balance carried forward	<u>173,524</u>	<u>186,328</u>

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Investments are made up as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
UK Equities	75,107	75,107
UK Bonds	55,524	40,718
Overseas Bonds and Equities	30,793	53,429
Property and other	5,332	14,584
Cash	6,768	2,490
	<u>173,524</u>	<u>186,328</u>

**6 Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Prepayments and accrued income	1,798	1,456
	<u>1,798</u>	<u>1,456</u>

**7 Creditors: Amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	127,000	137,943
	<u>127,000</u>	<u>137,943</u>

**8 Creditors: Amounts falling due after more than one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Deferred rental income (note 9)	601,219	684,146
Accruals	10,136	12,840
	<u>611,355</u>	<u>696,986</u>

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**9 Deferred income**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
At 1 June 2019	767,073	850,000
Released to income in the year	<u>(82,927)</u>	<u>(82,927)</u>
At 31 May 2020	<u>684,146</u>	<u>767,073</u>

The deferred income is expected to be recognised as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Within 1 year	82,927	82,927
Within 1 to 2 years	82,927	82,927
Within 2 to 5 years	248,781	248,781
After more than five years	269,511	352,438
	<u>684,146</u>	<u>767,073</u>

**10 Funds**

Current year	Brought forward at 1 June 2019	Income	Expenditure	Gains/ (losses)	Transfers	Balance carried forward at 31 May 2020
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
General funds	3,077,794	144,327	(31,327)	-	(19,655)	3,171,139
Pension fund reserve	(135,505)	-	(1,652)	(262)	19,655	(114,460)
	<u>2,942,289</u>	<u>144,327</u>	<u>(29,675)</u>	<u>(262)</u>	<u>-</u>	<u>3,056,679</u>
<b>Restricted funds</b>						
SBP	186,328	4,417	(8,008)	(9,470)	-	173,267
	<u>186,328</u>	<u>4,417</u>	<u>(8,008)</u>	<u>(9,470)</u>	<u>-</u>	<u>173,267</u>
<b>Total</b>	<u>3,128,617</u>	<u>148,744</u>	<u>(37,683)</u>	<u>(9,732)</u>	<u>-</u>	<u>3,229,946</u>

**Designated funds**

Within general funds is a pension scheme reserve with a deficit of £114,460 (2019: £135,505) relating to a defined benefit scheme provision (see note 12).

The transfers shown above reflect contributions paid to reduce the liability in the year.

**Restricted funds**

The Scholarships and Bursaries Fund ("SBP") is made up of many smaller funds, the origins of which are bequests, donations and Speech Day prizes, which were managed separately until 2002 when they were amalgamated into one fund under a Charity Commission approved scheme to make the management more efficient. The funds are to be used to further the



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education of pupils attending Westonbirt School by the awards of scholarships, bursaries, prizes, maintenance allowances and leaving exhibitions.

Comparative year	Brought forward at 1 June 2019	Income	Expenditure	Gains/ (losses)	Transfers	Balance carried forward at 31 May 2020
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
General funds	2,988,671	185,052	(106,067)	-	10,138	3,077,794
Pension fund reserve	(171,389)	-	13,000	(1,000)	23,884	(135,505)
	<u>2,817,282</u>	<u>185,052</u>	<u>(93,067)</u>	<u>(1,000)</u>	<u>34,022</u>	<u>2,942,289</u>
<b>Restricted funds</b>						
SBP	227,545	5,164	(11,132)	(7,997)	(27,252)	186,328
Other	6,770	-	-	-	(6,770)	-
	<u>234,315</u>	<u>5,164</u>	<u>(11,132)</u>	<u>(7,997)</u>	<u>(34,022)</u>	<u>186,328</u>
<b>Total</b>	<u>3,051,597</u>	<u>190,216</u>	<u>(104,199)</u>	<u>(8,997)</u>	<u>-</u>	<u>3,128,617</u>

**11 Analysis of net assets between funds at 31 May**

Current year	Unrestricted £	Restricted £	Total £
Tangible fixed assets	3,900,000	-	3,900,000
Investments	-	173,524	173,524
Net current assets	(117,506)	(257)	(117,763)
Long term liabilities and provisions	(725,815)	-	(725,815)
<b>Total</b>	<u>3,056,679</u>	<u>173,267</u>	<u>3,229,946</u>
Comparative year	Unrestricted £	Restricted £	Total £
Tangible fixed assets	3,900,000	-	3,900,000
Investments	-	186,328	186,328
Net current assets	(125,220)	-	(125,220)
Long term liabilities and provisions	(832,491)	-	(832,491)
<b>Total</b>	<u>2,942,289</u>	<u>186,328</u>	<u>3,128,617</u>

Included within restricted funds is a revaluation reserve of £nil (2019: £38,141).

12 Pensions

The Company participates in the Pensions Trust scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the Company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the Company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

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From 1 April 2020 to 31 January 2025:	£11,243,000 per annum	(payable monthly and increasing by 3% each on 1st April)
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Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee had asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

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From 1 April 2016 to 30 September 2025:	£12,945,440 per annum	(payable monthly and increasing by 3% each on 1st April)
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From 1 April 2016 to 30 September 2028:	£54,560 per annum	(payable monthly and increasing by 3% each on 1st April)
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The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the Company has agreed to a deficit funding arrangement the Company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a cost.

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**Present values of provision**

	31 May 2020 (£s)	31 May 2019 (£s)	31 May 2018 (£s)
Present value of provision	114,460	135,505	171,109

**Reconciliation of opening and closing provisions**

	<b>Period Ending</b> 31 May 2020 (£s)	<b>Period Ending</b> 31 May 2019 (£s)
Provision at the start of the period	135,505	171,109
Unwinding of the discount factor (interest expense)	1,652	2,530
Deficit contribution paid	(22,959)	(22,510)
Remeasurements – impact of any change in assumptions	262	906
Remeasurements – amendments to the contribution schedule	-	(16,530)
	<hr/> 114,460	<hr/> 135,505

**Income and expenditure impact**

	<b>Period Ending</b> 31 May 2020 (£s)	<b>Period Ending</b> 31 May 2019 (£s)
Interest expense	1,652	2,530
Remeasurements – impact of any change in assumptions	262	906
Remeasurements – amendments to the contribution schedule	-	(16,530)

**Assumptions**

	31 May 2020 % per annum	31 May 2019 % per annum	31 August 2018 % per annum
Rate of discount	1.24	1.34	1.58

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.



**13 Related party transactions**

The Directors did not receive any remuneration or payment for services during the year nor did they receive reimbursement for expenses (2019: £nil).

The Company's key management personnel are the General Manager of the Allied Schools Agency ('the Agency') together with the Directors. The aggregate employment benefits of key management personnel are set out in note 3.

The General Manager of the Agency is also a trustee of the Agency. During the year, £3,211 was paid to the Agency for services provided by the Agency after a repayment of £4,690 relating to the previous years (2019: £16,384). In addition, the Agency paid £2,600 (2019: £3,750) of expenditure relating to the Company's costs which the Company has subsequently reimbursed the Agency for.

There were no other related party transactions in the year

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**14 Comparative information**

	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
<b>Income from:</b>			
<b>Investments</b>			
Rents receivable	144,327	-	144,327
Investment income	35	5,164	5,198
<b>Donations</b>	40,690	-	40,690
<b>Total</b>	<b>185,052</b>	<b>5,164</b>	<b>190,216</b>
<b>Expenditure on:</b>			
<b>Raising funds</b>			
Finance costs	2,551	2,132	4,683
<b>Charitable activities</b>			
Provision of education	90,516	9,000	99,516
<b>Total</b>	<b>93,067</b>	<b>11,132</b>	<b>104,199</b>
Net gains/(losses) on investments	-	(7,997)	(7,997)
<b>Net income/(expenditure)</b>	<b>91,985</b>	<b>(13,965)</b>	<b>78,020</b>
<b>Transfers between funds</b>	<b>34,022</b>	<b>(34,022)</b>	<b>-</b>
<b>Other recognised gains/(losses)</b>			
Actuarial losses on defined benefit pension scheme	(1,000)	-	(1,000)
<b>Net movement on funds</b>	<b>125,007</b>	<b>(47,987)</b>	<b>77,020</b>
Fund balance brought forward at 1 September 2018	2,817,282	234,315	3,051,597
<b>Fund balance carried forward at 31 May 2019</b>	<b>2,942,289</b>	<b>186,328</b>	<b>3,128,617</b>