

Charity Registration No. 515073

Company Registration No. 01644174 (England and Wales)

BRANWOOD SCHOOL TRUST LIMITED

**ANNUAL REPORT
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 AUGUST 2021

BRANWOOD SCHOOL TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr T S Cramant Mr M N Fletcher Mr D M Taylor Mrs J E Wilcox Mr M Foster
Charity number	515073
Company number	01644174
Registered office	Stafford Road Monton Eccles Manchester
Auditor	Barlow Andrews LLP Carlyle House 78 Chorley New Road Bolton
Bankers	The Royal Bank of Scotland Plc Walkden Branch Walkden Worsley Manchester

BRANWOOD SCHOOL TRUST LIMITED

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BRANWOOD SCHOOL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are:

To establish and carry on the charity as a Preparatory School, where children may receive a sound education.

To establish and perpetuate a Preparatory School run in connection with, or independently of, any senior school or college.

Branwood School Trust Limited operates as an Independent Preparatory School providing education to children of both sexes from the age of 3 through to 11.

Each year the Trustees review the objectives and activities of the charity to ensure they continue to reflect our aims and to provide public benefit. In setting our objectives and planning our activities, our Governors have given careful consideration to the Charity Commission's general guidance and guidance on public benefit and in particular in its supplementary public benefit guidance on advancing education and on fee charging. The Trustees are more than satisfied that they do.

The Trustees and Governors have discussed the objectives of the school and how it can best serve not only the pupils and staff, but also the local community.

The Trustees are committed to ensuring the provision of excellence in education at an affordable cost. The Trustees are committed to offering scholarships as and when it is deemed feasible, and to assisting scholars as and when it is thought fit and appropriate.

The school does not currently have a separate fund that would enable it to set up and maintain a system of Bursaries, and as the Trustees' policy is to maintain fees for the school at a reasonable level, it is unlikely that Bursaries can be offered in the short to medium term. The Trustees have publicised the facilities available at the school to the local community and organisations, at a reasonable cost where the use is considered to be appropriate and compatible.

Achievements and performance

The statement of financial activities is set out on page 9.

The Trustees are pleased to report that financially the school has enjoyed another successful year, despite the impact of the coronavirus pandemic.

The number of pupils has increased during the year. The Trustees are confident that numbers will be maintained and are continuing to review the school's operations and costs to ensure continuing stability.

BRANWOOD SCHOOL TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

Income generation

The charity's main income continues to be derived from its principle activity of providing education services to children. Fee income in the year increased slightly to £1,090,453 from £1,070,368 in 2020. Pupil numbers increased during the year.

Whilst the Trustees are mindful of the increasing pressures on parents, the charity is also faced with increasing costs.

A comparison of fees with other educational establishments in the area has shown that the fees agreed by Branwood School Trust are comparable. The Trustees review fees on an annual basis and will continue to do so to ensure that the school provides an excellent all round education, enabling its pupils to progress to independent grammar schools in the general Manchester area.

Resources expended

The charity adopts a strict control policy for expenditure. After approval by the school Governors, recommendations are made to the board of Trustees to consider proposals for expenditure above a set criteria. Staff remuneration is decided annually at Governors' meetings.

The total expenditure on charitable activities in the year amounted to £1,090,856 (2020: £1,089,153). Of this, salaries and associated costs for teaching and support staff amounted to £778,222 (2020: £743,787).

Thanks

The Trustees would like to express their thanks and appreciation to the Headteacher and staff for their dedication and efforts towards the charity over the past year.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to twelve months budgeted expenditure.

At the balance sheet date the free reserves, which include the charity's investments, amounted to £1,392,825 (2020: £1,006,021). Total reserves amounted to £2,364,736 (2020: £2,026,615). Designated reserves amounted to £971,904 (2020: £1,020,587) which relates to fixed assets held in the trust and amounts designated for the building of a new information technology suite. No fixed date has yet been agreed for the expenditure of the designated funds and will be determined at the Trustees' discretion.

Investment policy

The charity has invested money with The International Investment Bond.

As permitted by the charity's Memorandum and Articles of Association, the Trustees have given the investment managers discretion to manage the portfolio with an agreed low risk profile.

Risk management

The Governors have conducted a review of the major risks to which the charity is exposed and, where appropriate, systems or procedures have been established to mitigate those risks by the implementation of procedures for authorisation of all transactions. Procedures are in place to ensure compliance with health and safety of staff, volunteers and visitors to the school.

BRANWOOD SCHOOL TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

Future Plans

The Trustees are aware that for Branwood School Trust to continue as a successful educational resource, it must continue to develop both its facilities and its link with the local community.

Whilst it is not possible to open the school facilities to members of the public during school time, an invitation was issued to local groups requesting applications to use the school hall in the evenings and weekends. The uptake of the facilities has been limited, however the school is now able to offer both judo and gymnastics and a community choir group on Tuesday evenings.

The Trustees would like to see greater use of the school facilities but this is dependent upon suitable organisations coming forward and the necessary finance being available.

Structure, governance and management

The charity is a charitable limited company and was set up on 17 June 1982. It is governed by its Memorandum and Articles of Association which was last amended on 13 June 2005.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr T S Cramant
Mr M N Fletcher
Mr D M Taylor
Mrs J E Wilcox
Mr M Foster

Trustee recruitment, appointment and training

The recruitment and appointment of Trustees at Branwood School Trust Limited follows the conditions established within the charity's memorandum and articles. Trustees are recruited to the board from a variety of backgrounds and disciplines.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Whilst to date, the trust has not organised specific training for Trustees, it is considered that the trust has sufficient legal and financial expertise to enable it to operate effectively and to manage the charity's affairs appropriately.

Organisation structure

The Trustees and Governors determine the general policy of the school. The day to day running of the school is delegated to the Head, Mr A Whittell, supported by senior staff. The Head undertakes the key leadership role overseeing educational and administrative functions in consultation with senior staff. The day to day administration of the school is undertaken within the policies and procedures approved by the Governors which provide for only significant expenditure decisions and major capital projects to be referred to the Governors for prior approval. The Head oversees the recruitment of all educational staff, whilst under delegated authority the Bursar oversees the recruitment of administrative and non teaching support staff. The Head and Bursar are invited to attend Governors' meetings.

Auditor

In accordance with the company's articles, a resolution proposing that Barlow Andrews LLP be reappointed as auditor of the company will be put at a General Meeting.

The Trustees' report was approved by the Board of Trustees.

Mr T S Cramant

Trustee

Dated: 26 January 2022

BRANWOOD SCHOOL TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees, who are also the directors of Branwood School Trust Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

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

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

BRANWOOD SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF BRANWOOD SCHOOL TRUST LIMITED

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

BRANWOOD SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BRANWOOD SCHOOL TRUST LIMITED

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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, the Trustees, who are also the directors of the charity for the purpose 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 charity'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 auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

BRANWOOD SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BRANWOOD SCHOOL TRUST LIMITED

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation, employment legislation, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative or potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

BRANWOOD SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BRANWOOD SCHOOL TRUST LIMITED

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Burton (Senior Statutory Auditor)
for and on behalf of Barlow Andrews LLP

26 January 2022

Chartered Accountants
Statutory Auditor

Carlyle House
78 Chorley New Road
Bolton

BRANWOOD SCHOOL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	2020 £
<u>Income and endowments from:</u>			
Income from charitable activities	3	1,135,933	1,114,253
Investments	4	73	650
Other income	5	39,307	64,803
Total income		<u>1,175,313</u>	<u>1,179,706</u>
<u>Expenditure on:</u>			
Expenditure on charitable activities	6	<u>1,090,856</u>	<u>1,089,153</u>
Net income and net movement in funds before gains and losses on investments		84,457	90,553
Net gains on investments	9	<u>253,664</u>	<u>925</u>
Net movement in funds		338,121	91,478
Fund balances at 1 September 2020		<u>2,026,615</u>	<u>1,935,137</u>
Fund balances at 31 August 2021		<u><u>2,364,736</u></u>	<u><u>2,026,615</u></u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

BRANWOOD SCHOOL TRUST LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10	571,904		620,587	
Investments	11	1,210,036		956,372	
		<u>1,781,940</u>		<u>1,576,959</u>	
Current assets					
Debtors	13	452,995		61,568	
Cash at bank and in hand		821,182		565,463	
		<u>1,274,177</u>		<u>627,031</u>	
Creditors: amounts falling due within one year	14	(691,381)		(177,375)	
Net current assets			582,796		449,656
Total assets less current liabilities			<u>2,364,736</u>		<u>2,026,615</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds:					
Tangible fixed assets		571,904		620,587	
Information technology suite		400,000		400,000	
	16	<u>971,904</u>		<u>1,020,587</u>	
General unrestricted funds		1,392,825		1,006,021	
Share capital		<u>7</u>		<u>7</u>	
			2,364,736		2,026,615
			<u>2,364,736</u>		<u>2,026,615</u>

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

The financial statements were approved by the Trustees on 26 January 2022

Mr T S Cramant

Trustee

Company Registration No. 01644174

BRANWOOD SCHOOL TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		256,552		(2,591)
Investing activities					
Purchase of tangible fixed assets		(906)		(360)	
Proceeds on disposal of investments		-		400,000	
Investment income received		73		650	
Net cash (used in)/generated from investing activities			(833)		400,290
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			255,719		397,699
Cash and cash equivalents at beginning of year			565,463		167,764
Cash and cash equivalents at end of year			821,182		565,463

BRANWOOD SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

Branwood School Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Stafford Road, Monton, Eccles, Manchester, M30 9HN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised at fair value on a receivable basis and is reported gross of any related expenditure and when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Government grants are recognised at the fair value of the asset received or receivable when there is a reasonable assurance that the grant conditions will be met and the money will be received.

Income that is invoiced in advance or arrears is apportioned so that only that relating to the period of the financial statements is included in income.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which can not be recovered and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated direct to such activities and those costs of an indirect nature necessary to support them.

BRANWOOD SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% straight line
Property improvements	10% straight line
Fixtures, fittings & equipment	15% reducing balance
Computers equipment	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price.

Basic financial liabilities

Basic financial liabilities, including creditors, are recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

BRANWOOD SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The company has charitable status and is thus exempt from taxation of its income and gains falling within section 505 of The Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from charitable activities

	2021 £	2020 £
School fees	1,090,453	1,070,368
School activities	39,385	38,820
Rental income	6,095	5,065
	<u>1,135,933</u>	<u>1,114,253</u>

BRANWOOD SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

4 Investments

	2021 £	2020 £
Interest receivable	73	650
	<u>73</u>	<u>650</u>

5 Other income

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Insurance claim receivable	250	1,350
Grant receivable	39,057	63,453
	<u>39,307</u>	<u>64,803</u>

Grants receivable relate to the Coronavirus Job Retention Scheme.

BRANWOOD SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

6 Expenditure on charitable activities

	2021 £	2020 £
Staff costs	778,222	743,787
Depreciation and impairment	49,589	50,730
Recruitment costs	-	5,705
Establishment costs	38,086	34,823
Postage and stationery	9,487	7,217
Repairs and maintenance	57,408	70,640
Office expenses	1,214	2,502
Services and supplies	120,808	130,206
Transport and security	2,208	7,464
Advertising and promotion	5,679	12,796
Bad debts	10,135	5,176
Bank charges	998	1,091
Accountancy fees	10,100	9,109
Cost of trustee meetings	244	871
Legal and professional fees	858	1,336
Auditors' remuneration	5,820	5,700
	<u>1,090,856</u>	<u>1,089,153</u>
Unrestricted funds		

Governance costs

Governance costs of £5,820 (2020: £5,700), being auditors' remuneration, are included within expenditure on charitable activities.

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Trustees' expenses

During the year trustees were reimbursed for a total of £244 relating to travel expenses (2020: £275).

BRANWOOD SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Teaching staff	22	21
Administration staff	4	5
Domestic staff	6	7
	<hr/>	<hr/>
	32	33
	<hr/>	<hr/>

Employment costs

	2021 £	2020 £
Wages and salaries	686,597	667,837
Social security costs	59,474	45,417
Other pension costs	32,151	30,533
	<hr/>	<hr/>
	778,222	743,787
	<hr/>	<hr/>

There were no employees whose annual remuneration was £60,000 or more.

9 Net gains on investments

	2021 £	2020 £
Revaluation of investments	253,664	925
	<hr/>	<hr/>

BRANWOOD SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Tangible fixed assets

	Land and buildings	Property improvements	Fixtures, fittings & equipment	Computers equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2020	701,960	294,877	163,409	132,177	1,292,423
Additions	-	-	158	748	906
At 31 August 2021	701,960	294,877	163,567	132,925	1,293,329
Depreciation and impairment					
At 1 September 2020	336,730	80,719	122,499	131,888	671,836
Depreciation charged in the year	14,039	29,486	5,769	295	49,589
At 31 August 2021	350,769	110,205	128,268	132,183	721,425
Carrying amount					
At 31 August 2021	351,191	184,672	35,299	742	571,904
At 31 August 2020	365,230	214,158	40,910	289	620,587

BRANWOOD SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

11 Fixed asset investments

	Listed investments £
Cost or valuation	
At 31 August 2020	956,372
Revaluations	253,664
	<hr/>
At 31 August 2021	1,210,036
	<hr/>
Carrying amount	
At 31 August 2021	1,210,036
	<hr/> <hr/>
At 31 August 2020	956,372
	<hr/> <hr/>

12 Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,254,881	607,810
Equity instruments measured at cost less impairment	1,210,036	956,372
	<hr/>	<hr/>
Carrying amount of financial liabilities		
Measured at amortised cost	675,858	153,332
	<hr/>	<hr/>

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	394,400	30,710
Other debtors	39,299	11,637
Prepayments and accrued income	19,296	19,221
	<hr/>	<hr/>
	452,995	61,568
	<hr/> <hr/>	<hr/> <hr/>

BRANWOOD SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	15,523	24,043
Trade creditors	20,002	17,849
Other creditors	9,301	107,379
Accruals and deferred income	646,555	28,104
	<u>691,381</u>	<u>177,375</u>

Deferred income of £629,733 (2020: £15,771) is included in accruals and deferred income.

15 Share capital

	2021 £	2020 £
Ordinary share capital		
Issued and fully paid		
7 Ordinary shares of £1 each	<u>7</u>	<u>7</u>

16 Designated funds

The income funds of the charity include two designated funds. The tangible fixed assets fund relates to the tangible fixed assets held in the trust. As at 1 September 2020 the amount held in this fund was £620,587. During the year there was a net movement in this fund of £48,683, therefore at the year end the balance on the fund was £571,904.

The second fund amounts to £400,000 and relates to the building of a new information technology suite. This balance was designated in the prior year.

BRANWOOD SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

17 Analysis of net assets between funds

	Unrestricted funds £
Fund balances at 31 August 2021 are represented by:	
Tangible assets	571,904
Investments	1,210,036
Net current assets	582,796
	<u>2,364,736</u>

Prior year

	Unrestricted funds £
Fund balances at 31 August 2020 are represented by:	
Tangible assets	620,587
Investments	956,372
Net current assets	449,656
	<u>2,026,615</u>

18 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	810	3,114
Between two and five years	-	810
	<u>810</u>	<u>3,924</u>

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>126,638</u>	<u>114,959</u>

Other than the above note there are no related party transactions to report for this or the previous year.

BRANWOOD SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

20	Cash generated from operations	2021 £	2020 £
	Surplus for the year	338,121	91,478
	Adjustments for:		
	Investment income recognised in statement of financial activities	(73)	(650)
	Fair value gains and losses on investments	(253,664)	(925)
	Depreciation and impairment of tangible fixed assets	49,589	50,730
	Movements in working capital:		
	(Increase) in debtors	(391,427)	(24,662)
	Increase/(decrease) in creditors	514,006	(118,562)
	Cash generated from/(absorbed by) operations	<u>256,552</u>	<u>(2,591)</u>
21	Analysis of changes in net funds		
	The charity had no debt during the year.		