

# PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED

England & Wales · Charity number 518009

## Details

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Other names	HOLY CHILD SCHOOL EDGBASTON TRUSTEES LIMITED, PRIORY SCHOOL EDGBASTON
Status	Registered
Legal form	Charitable company
Company number	<a href="#">02042309</a>
Registered	1986-10-06
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address  
Priory School  
Sir Harrys Road  
Edgbaston  
Birmingham  
B15 2UR

Phone  
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Email  
[s.brereton@prioryschool.net](mailto:s.brereton@prioryschool.net)

Website  
[www.prioryschool.net](http://www.prioryschool.net)

## Activities

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**Objects:** The objects of the Charity (Objects) are to advance education by continuing in Birmingham or elsewhere in the United Kingdom a day or boarding school or schools for the education of children of either or both sexes and all denominations, being a school or schools that shall provide to infants, children and students a high quality of general instruction together with moral and spiritual guidance and each such School shall be carried on as an educational charity.

**Activities:** Education of children

## Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

## Geography

- **Area of benefit:** UNITED KINGDOM
- Birmingham City

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£4,759,755	£4,984,399	£859,722	100
2024-08-31	£4,917,575	£5,343,102	£1,084,366	106
2023-08-31	£4,802,773	£4,745,494	£1,509,893	99
2022-08-31	£4,480,574	£4,457,810	£1,452,614	99
2021-08-31	£4,403,576	£4,621,022	£1,429,850	107
2020-08-31	£4,083,854	£4,559,975	£1,647,296	113

## Trustees

Name	Role	Appointed
<b>Stuart Brereton</b>	Chair	2021-12-08
Anne Cleary		2019-10-09
Deidre Mattison		2016-12-07
Emma Cutler		2024-10-15
Pat Skrybant		2021-12-08
Shernice Rai		2022-10-05
Vishal Naik		2016-10-04

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**

England & Wales - Charity number 518009

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# Accounts

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Registered number: 02042309  
Charity number: 518009

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**(A company limited by guarantee)**

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2025**

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<b>Trustees</b>	Mr S Brereton, Chair <sup>1,2</sup> Ms D Mattison, Vice Chair <sup>1,2</sup> Ms V Naik <sup>1</sup> Mrs A Cleary <sup>1,3,4</sup> Mrs P Skrybant <sup>3</sup> Rev J O'Brien (resigned 5 March 2025) Miss S Rai Miss E Cutler (appointed 15 October 2024) Ms H Somerfield (resigned 4 October 2024) <sup>1,2</sup>  <sup>1</sup> Finance and General Purpose Committee <sup>2</sup> Risk and Compliance Committee (incorporating Health and Safety) <sup>3</sup> Education Committee <sup>4</sup> Safeguarding and Wellbeing Committee
<b>Company registered number</b>	02042309
<b>Charity registered number</b>	518009
<b>Registered office</b>	Priory School 39 Sir Harry's Road Edgbaston Birmingham B15 2UR
<b>Independent auditor</b>	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
<b>Bankers</b>	Barclays Bank Plc 15 Colmore row Birmingham B3 2EP  Handelsbanken 55 Calthorpe road Edgbaston B15 1TH
<b>Headmaster</b>	Mr J Cramb BA Hons, PGCE, MEd (until 31 August 2025) Mr B Doherty (from 1 September 2025)
<b>Finance Director and Company Secretary</b>	Mr N Al-Chamaa BA Hons

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**GOVERNORS, DIRECTORS AND CHARITY TRUSTEES**

The Governors of Priory School Edgbaston Trustees Limited are the School's charity trustees under charity law and they are the directors of the charitable company. Members of the Governing Body (Governing Council) who served in office as Governors during the year and subsequently are detailed below.

During the year certain activities of the Governing Body were carried out through four committees, being the following

- (1) Finance and General Purpose Committee
- (2) Risk and Compliance Committee (incorporating Health and Safety)
- (3) Education Committee
- (4) Safeguarding and Wellbeing Committee

Membership of Committees is shown above for each Governor.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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The members of the Priory School Governing Body present their Annual Report for the year ended 31 August 2025 under the Charities Act 2011, including the Directors' Report, under the Companies Act 2006, together with the audited financial statements for the year.

**REFERENCE AND ADMINISTRATIVE INFORMATION**

Priory School Edgbaston Trustees Limited is constituted as a company limited by guarantee registered in England, No. 2042309, and is registered with the Charity Commission under Charity No. 518009.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing documents**

The School is governed by its Memorandum of Association and Articles of Association, as adopted by a special resolution dated 3rd October 2023.

**Governing Body**

The Governing Council is the Governing Body. Council members are elected at a general meeting and must be proposed by a member qualified to attend and vote at such meetings, in accordance with the Memorandum and Articles of Association. The number of Council members in office should not be more than 16 and not less than 6, as provided in the Memorandum and Articles of Association.

**Recruitment and training of Directors**

New Directors (Members of the Governing Council) are introduced to the workings of the School, including Governing Council policy and procedures, by members of the Governing Council. Directors also attend specialist external courses from time to time, for example on Safeguarding Training.

**Organisational management**

The Council members meet as a Board at least five times per annum to determine the general policy of the company and to review its overall management and control, for which they are legally responsible. The Council will and do meet more often when pressing matters arise.

The Council members delegate day to day management of the School to the Headmaster and his senior management team, comprising the Finance Director, the Finance and Facilities Manager and the Deputy Heads and Assistant Heads of the Early Years, Preparatory, and Senior Schools. Together, this group are the key management personnel.

The Council operates a number of Committees with delegated responsibilities in specific areas. These include the Finance and General Purposes Committee, the Risk and Compliance Committee, The Safeguarding and Wellbeing Committee and the Education Committee. The Head and Finance Director attend meetings of the Governing Council's Committees. In addition, certain members of the Council have specific governance responsibilities in key areas such as Early Years, Child Protection, Marketing and Special Educational Needs.

The Finance and General Purposes Committee meets shortly before each meeting of the full Governing Council, specifically to review financial performance, budgets and management accounts. Responsibilities of this Committee also include Marketing, Facilities, Fundraising and Infrastructural Development projects. The Committee makes recommendations to Governing Council on the annual reviews of School Fee tariffs and Staff Salary scales.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**Employment policy**

Delivery of the School's charitable vision and purpose is primarily dependent on its key management personnel, and staff costs are the largest single element of charitable expenditure.

Remuneration policy is set by the Headmaster and Finance Director, subject to board (Council) approval, with the objective of providing appropriate incentives to encourage optimal performance and of rewarding individual contributions to the School's success fairly and responsibly.

The appropriateness and relevance of remuneration policy is reviewed annually. While reviews include reference to conditions in the education sector generally, the School is free to set its pay scales independently. Here the objective is to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere, while adapting to local budgetary conditions.

The headteacher's salary is approved by the Governing Council. The Governing Council has a duty to determine the pay range and associated salary. Typically this is reviewed on an annual basis and if pay increases are to be awarded. The financial situation of the school determines whether staff receive a pay increase. The headteacher's salary is also determined following a performance management process.

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due attention is given to their training and employment needs.

Communication with employees continues through normal management channels, in particular through the Daily Bulletin in which staff are apprised of current issues and of key decisions affecting the school. Whole staff meetings, which are held termly, include briefings from the Headmaster, Finance Director, and other members of the senior management team.

**Key Relationships**

The School is a member of ISA (Independent Schools Association), AGBIS (Association of Governing Bodies of Independent Schools), and ISBA (Independent Schools Bursars' Association).

Locally, the School is a member of the Birmingham Catholic Schools Partnership.

In recognition of its heritage, the School maintains links with the Society of the Holy Child Jesus and with sister schools in the UK, Europe and North America. The Head of Prep and the Chair of Governors will be attending the SHCJ conference as invited guests in March of 2025.

We cooperate with a number of local organisations in our ongoing endeavours to widen public access to the schooling that we can provide, to optimise the use of our cultural and sporting facilities and to develop in our pupils an awareness of the social context of the education that they receive at the School.

The School also benefits from the generosity of its parents' association, the Friends of Priory School, whose close support we greatly appreciate and gladly acknowledge.

**OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

The company is established to advance education by running a School in the United Kingdom as a registered charity for the education of children of both sexes and all denominations.

The company's principal activity remains the provision of independent education for children from Early Years to Sixth Form.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**Strategic Aim**

Priory School is a Catholic Heritage school which welcomes pupils of all faiths and abilities and is committed to delivering success for every child in its care, complementing academic life with performing arts, sports, and other extra-curricular activities designed to develop self-confident and well-rounded individuals.

Our aim is encapsulated in the following extract from our Mission Statement:

*'In partnership with parents or guardians, we provide a nurturing, family-based ethos, alongside high standards of teaching and learning, enabling all pupils to achieve their potential.'*

**Principal activity**

The company's principal activity remains the provision of independent education for children from nursery to sixth form.

**Serving the public benefit**

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. In particular, the School has continued to support the widening of access to our school by pupils from lower income families through the provision of Scholarships and Supported Places. However, as the School has no endowment fund, we have had to maintain a careful balance between fee paying parents and those benefiting from the awards, in order to ensure our ongoing financial viability and to support further development of the School.

The Scholarship scheme offers access to our School for bright pupils who excel academically or in areas such as sport, art, music or drama. During the 2024/2025 academic year we have again complemented the Scholarship scheme with Supported Place awards, which have been means-tested and which have further supplemented the Scholarship award in appropriate cases.

The Council views our Scholarship and Supported Places awards as essential in helping to ensure that children from families who would otherwise not be able to afford the fees can access the education that we offer. Additionally, awards of Bursaries are made on the basis of parental means or to relieve financial hardship where an existing pupil's place might otherwise be at risk. To underline the value that we place on continuity for families, we continue to offer sibling discounts where parents have more than one child at the School.

The Trustees achieve the wider public benefit aim by providing use of the school's facilities for a range of community events and activities, including car parking for major sporting events at Edgbaston Priory Club (tennis tournaments) and Edgbaston Cricket Ground for major match days.

Other beneficiaries of this policy this year included

- National Youth Recorder Orchestra
- Birmingham Reggae Choir
- Short Tennis: coached in our sports hall under the auspices of Edgbaston Priory Club.

**Fundraising Statement**

The School undertakes only limited fundraising activity, and the level of voluntary income received during the year was minimal. Total donations and legacies amounted to £150 (2024: £Nil), and no restricted income was received. These donations were modest, occasional contributions from supporters and were not the result of any organised fundraising campaign.

The School does not engage professional fundraisers, commercial participators, or external fundraising agencies, nor does it carry out large-scale fundraising appeals. All fundraising activity is undertaken internally on a small scale by School staff where appropriate.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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The School remains committed to ensuring that any voluntary income is received and recorded transparently and in accordance with charity law and the requirements of the Charities SORP. The School did not identify any matters during the year that would give rise to concerns regarding the protection of supporters, including those who may be vulnerable. Internal controls over the receipt and recording of donations operate proportionately to the low level of fundraising activity carried out.

The School continues to play an active part in seeking to extend its charitable activities to the general public and is willing to assist and support in areas of need. We encourage our pupils to be good team players who are able to think independently and lead when required and we seek to foster a strong sense of the pupils' place in their local community and wider society.

Our pupils also serve the community by entertaining residents of Sunrise Senior Living Care Home in Edgbaston with singing and music. Our pupils also serve the community by suggesting charities to support and by actively engaging in fund raising activities in support of worthy causes, including

- o CAFOD
- o MacMillan Cancer Support
- o St Chad's
- o Fair Trade
- o NSPCC
- o Children in Need
- o SIFA Fireside Homeless Charity
- o Save the Children
- o Ukraine Appeal
- o Unicef
- o Banardos

## **FINANCIAL REVIEW**

### **Results for the year**

This year, the school reports a deficit of £224,644. This is owing to a range of issues. The school now has every determination - including cost savings where possible and strategic management of key resources to do what it can to ensure a better outcome for 2025/2026.

Priory School staff remain our biggest asset but due to the financial performance in 2024/25 it has unfortunately not be able to reward staff with a pay rise in 2025/26.

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

The school's total reserves were £859,722 at the year-end. £788,082 of this represented the net book value of fixed assets, leaving free reserves of £71,640. There was no restricted income.

The Council's continuing policy is to seek to have free reserves at a level sufficient to enable the School to withstand consequential pupil losses of up to 10%. The target level of free resources on this basis is approximately £541k. Our free reserves are lower due to a fall in pupil numbers and VAT has played a contributing factor in this. Ultimately this has affected our anticipated income levels. In terms of raising our reserves - we are working hard to improve our pupil numbers in a variety of ways. Extensive and targeted marketing and refining our education offer as being one that showcases 'Excellence as Standard' we hope will ensure our pupil numbers improves. We have also worked meticulously at reducing our costs and that our staffing levels matches our pupil numbers. We have also sought investment and a cash injection and are working through that process at present.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

The Council has reviewed financial projections for the future. These projections reflect the School's aim to return to growth in pupil numbers throughout the school and to increase net income through modest annual increases in school fee tariffs while continuing the policy of providing judiciously for scholarships, supported places and bursaries. Combined with continued attention to credit control and costs, achievement of this strategic objective should continue to deliver growing surpluses in the year ahead

On this basis, production of these accounts on a going concern basis is considered appropriate.

The Governing Council is aware of wider general threats to the independent education sector in a high inflation economy combined with major changes in taxation policy (VAT) There is little that can be done to stop adverse changes in public policies, other than to keep informed and to rely on the combined lobbying efforts of our representative bodies.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Council continues to keep under review the School's activities, the risks that may arise from them and the internal controls, systems and procedures established to manage them.

Detailed consideration of risk is delegated to the Risk and Compliance Committee, which meets three times a year and reports formally to the Governing Body. The structure of the Committee comprises two members of the Governing Council, assisted by Senior Management.

The risk management process adopted by the Risk and Compliance Committee identifies major risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high. Mitigation measures include ensuring that appropriate insurance cover is in place to cover any insurable risks identified.

The key risks and actions to mitigate those areas are as follows:

Risks identified	Mitigation
Damage to reputation from fraud, accident, unsatisfactory inspection reports or adverse media coverage	Careful financial management by Governing Council, supported by a Finance and General Purposes Committee and by the Finance Director;  A Risk and Compliance Committee of the Board with specific delegated responsibility for Health & Safety meets three times a year and reviews policy, practice, and any incidents requiring Board level attention.  Continuous programme of campus security improvements in place  The ethos of the school is to act promptly in response to external communications including those from parents  Regular review of the risk register by the Risk and Compliance Committee  Risk Assessments checked and approved by the Finance and Facilities Manager
Reduction in pupil numbers	Heavy emphasis on and continuing investment in marketing;  Close involvement of senior management in pupil recruitment process;  Increased focus on improving the academic achievement of pupils

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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*Other risk aspects:*

The Trustees consider the affordability of fees by parents across the independent sector to be the principal financial risk faced by the School, especially as local competition from other independent schools remains intense.

The Governing Council decided not to increase the school fee tariff for 2024/2025.

Health and Safety is always a significant area for risk management. The risks generally range from fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions). The level and breadth of activity at the School is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment.

**FUTURE PLANS**

2025/2026 will be another challenging year for Priory School, in which we will continue to build on our financial recovery.

Plans include:

- Seeking to build up pupil numbers again throughout the school by use of intensive marketing initiatives
- Optimising the use of the of all school buildings/space
- Securing a high cohort value for pupils at the main entry points (principally Year 7)
- Continuing to manage our estate in a cost-effective way
- Using the School grounds where possible for development of the outdoor curriculum;
- Ensuring our cashflow is rigorously monitored to allow the school to function and meet its obligations
- To develop plans further for creating additional income streams that does not rely solely on tuition income
- Working extensively to ensure our staffing costs are in line with the needs of the school and financial viability

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

The trustees (who are also the directors of Priory School for the purposes of company law) are responsible for preparing the Annual Report and the financial statements with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources for that period. In preparing these financial statements, the Governing Body members are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the charity's constitution. 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.

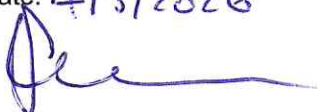
**Relevant Audit Information**

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Governing Council of Priory School Edgbaston including, in their capacity as company directors, approving the Directors' and Strategic Reports contained herein, and signed on its behalf by:

**Mr S Brereton**  
Chair of Governing Council

Date: 4/3/2026



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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**

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**Opinion**

We have audited the financial statements of Priory School Edgbaston Trustees Limited (the 'charitable company') for the year ended 31 August 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Material uncertainty related to going concern**

We draw attention to note 2.2 in the financial statements, which indicates the conditions identified that may cast significant doubt on the charitable company's ability to continue as a going concern. Potential low points in cash flow forecasts create a risk that should unexpected delays in receipt of fees, reduction in pupil numbers or unexpected costs occur the School cash resources might be insufficient. As stated in note 2.2, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED (CONTINUED)**

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**Other information**

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

We have nothing to report in this regard.

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

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

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

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

- 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED (CONTINUED)**

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**Responsibilities of Trustees**

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

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

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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance & General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED (CONTINUED)**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Helen Blundell*

**Helen Blundell LLB FCA FCIE DChA (Senior statutory auditor)**

for and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 8 May 2026

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

	Note	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
<b>Income from:</b>				
Donations and legacies	4	150	150	-
Charitable activities:				
School fees receivable	5	4,436,091	4,436,091	4,580,164
Ancillary trading income	6	309,290	309,290	318,888
Other trading activities	7	10,270	10,270	8,893
Investments	8	3,954	3,954	9,630
<b>Total income</b>		<b>4,759,755</b>	<b>4,759,755</b>	<b>4,917,575</b>
<b>Expenditure on:</b>				
Raising funds	9	43,521	43,521	59,370
Charitable activities	10	4,940,878	4,940,878	5,283,732
<b>Total expenditure</b>		<b>4,984,399</b>	<b>4,984,399</b>	<b>5,343,102</b>
<b>Net movement in funds</b>		<b>(224,644)</b>	<b>(224,644)</b>	<b>(425,527)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		1,084,366	1,084,366	1,509,893
Net movement in funds		(224,644)	(224,644)	(425,527)
<b>Total funds carried forward</b>		<b>859,722</b>	<b>859,722</b>	<b>1,084,366</b>

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

The notes on pages 17 to 30 form part of these financial statements.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 02042309**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2025**

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	13	788,082	931,675
<b>Current assets</b>			
Debtors	14	1,861,257	518,552
Cash at bank and in hand		318,876	380,949
		<u>2,180,133</u>	<u>899,501</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	15	(2,108,493)	(746,810)
<b>Net current assets</b>		<u>71,640</u>	<u>152,691</u>
<b>Total net assets</b>		<u><u>859,722</u></u>	<u><u>1,084,366</u></u>
<b>Charity funds</b>			
Unrestricted funds	19	859,722	1,084,366
<b>Total funds</b>		<u><u>859,722</u></u>	<u><u>1,084,366</u></u>

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

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

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

**Mr S Brereton**  
 (Chair)  
 Date:

The notes on pages 17 to 30 form part of these financial statements.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

	Note	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	20	(1,656)	(86,524)
<b>Cash flows from investing activities</b>			
Payment for tangible fixed assets		(20,850)	(159,364)
Investment income and bank interest received		3,954	9,630
<b>Net cash used in investing activities</b>		<b>(16,896)</b>	<b>(149,734)</b>
<b>Cash flows from financing activities</b>			
Finance costs paid		(43,521)	(59,370)
<b>Net cash used in financing activities</b>		<b>(43,521)</b>	<b>(59,370)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(62,073)</b>	<b>(295,628)</b>
Cash and cash equivalents at the beginning of the year		380,949	676,577
<b>Cash and cash equivalents at the end of the year</b>	21	<b>318,876</b>	<b>380,949</b>

The notes on pages 17 to 30 form part of these financial statements

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**1. General information**

The School is registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 30 July 1986 (company number. 2042309) and registered as a charity on 6 October 1986 (charity number: 518009). The registered office and principal place of business is 39 Sir Harry's Road, Edgbaston, Birmingham, B15 2UR. Its principal activity is provision of schooling.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

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

The functional currency of the School is considered to be sterling because that is the currency of the primary economic environment in which the School operates.

**2.2 Going concern**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees make this assessment in respect of a period of a least one year from the date of authorisation for issue of the financial statements.

The year ended 31 August 2025 has resulted in a deficit for the school for a number of reasons and this has had the effect of reducing the level of reserves available to withstand any future deficits. The school has worked tirelessly to become as efficient as possible, and the year-end deficit has reduced compared to the previous financial year. The cash flow forecasts which cover the period of the next 12 months from point of approval of the financial statements show a potential low point in cash flow and that there is a risk that if there were to be any unexpected delays in receipt of fees, reduction in pupil numbers or unexpected costs, the School cash resources might be insufficient. The introduction of VAT for Independent Schools is an additional factor contributing to the impact of lower pupil numbers within the school but also within the wider Independent School sector.

The Trustees and management have already taken actions to mitigate the risk which includes careful monitoring of costs, rigorous monthly management of cash flows, monitoring pupil numbers and structuring of operations. The school has also started to look extensively at staffing in respect of the significant cost basis to ensure it matches the pupil numbers and is financially viable. The Trustees and management are satisfied from their review of budgets and forecasts and their agreed action plans that it remains appropriate to prepare the financial statements on a going concern basis, but recognise that as a consequence of reduced reserves there remains a continued material uncertainty which is not wholly in the direct control of the Trustees and which could impact the financial viability of the school.

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**2. Accounting policies (continued)**

**2.3 Fees and similar earned income**

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Fees received in advance of education to be provided in future years are treated as deferred income and included within creditors.

**2.4 Donations, legacies, grants and other voluntary incoming resources**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

**2.5 Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**2. Accounting policies (continued)**

**2.6 Tangible fixed assets and depreciation**

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

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

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

Depreciation is provided on the following bases:

Leasehold Improvements	- 5 to 20 years
Fixtures, Fittings & Equipment	- 3 to 10 years

**2.7 Debtors**

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

**2.8 Cash at bank and in hand**

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

**2.9 Creditors and provisions**

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

**2.10 Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

**2.11 Fund accounting**

The charitable trust funds of the school are accounted for as unrestricted or restricted income.

**Unrestricted** income belongs to the Schools' corporate reserves, expendable at the discretion of the Trustees either to further the School's Objects or to benefit the School itself. Where the Trustees decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**2. Accounting policies (continued)**

**2.12 Pension costs**

Retirement benefits to employees of the School who are teachers are provided through a defined benefit scheme. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the Schools' share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The Schools' contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are pay able.

AVIVA APTIS Pension Scheme, is a defined contribution scheme. See Note 17 for further details.

**2.13 Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**3. Critical accounting estimates and areas of judgement**

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2025**

**4. Income from donations and legacies**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Donations	150	150	-
	150	150	-

**5. Charitable activities - Fees receivable**

	<b>2025 £</b>	<i>2024 £</i>
School fees	5,410,904	5,530,728
Less: total scholarships and bursaries	(974,813)	(950,564)
	4,436,091	4,580,164

Scholarships, bursaries and other awards were paid to 327 pupils (2024: 214). Within this means-tested bursaries totaling £122,767 were paid to 59 pupils (2024: £172,135 to 19 pupils).

The total income from school fees is all unrestricted in both years.

**6. Charitable activities - Other income**

	<b>2025 £</b>	<i>2024 £</i>
Extras	270,228	265,934
Entrance and registration fees	36,924	51,428
Commissions and other income	2,138	1,526
	309,290	318,888

The total other income is all unrestricted in both years.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

**7. Other trading activities**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Lettings	10,270	<b>10,270</b>	4,171
Other	-	-	4,722
	10,270	<b>10,270</b>	8,893
	10,270	<b>10,270</b>	8,893

**8. Investment income**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Bank Interest	3,954	<b>3,954</b>	9,630
	3,954	<b>3,954</b>	9,630
	3,954	<b>3,954</b>	9,630

**9. Finance and other costs**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Bad and doubtful debts	33,515	<b>33,515</b>	46,670
Bank charges	10,006	<b>10,006</b>	12,700
	43,521	<b>43,521</b>	59,370
	43,521	<b>43,521</b>	59,370

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

**10. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2025 £</b>	<b>Total 2025 £</b>	<i>Total 2024 £</i>
Teaching	3,248,983	<b>3,248,983</b>	3,378,213
Welfare	411,884	<b>411,884</b>	503,399
Premises	744,392	<b>744,392</b>	808,243
Support costs and governance	535,619	<b>535,619</b>	593,877
	<u>4,940,878</u>	<u><b>4,940,878</b></u>	<u>5,283,732</u>

**Summary by expenditure type**

	<b>Staff costs 2025 £</b>	<b>Depreciation 2025 £</b>	<b>Other costs 2025 £</b>	<b>Total 2025 £</b>	<i>Total 2024 £</i>
Teaching	2,993,698	-	255,285	<b>3,248,983</b>	3,378,213
Welfare	-	-	411,884	<b>411,884</b>	503,399
Premises	285,388	164,443	294,561	<b>744,392</b>	808,243
Support costs and governance	346,546	-	189,073	<b>535,619</b>	593,877
<b>Total 2025</b>	<u>3,625,632</u>	<u>164,443</u>	<u>1,150,803</u>	<u><b>4,940,878</b></u>	<u>5,283,732</u>
<i>Total 2024</i>	<u>3,803,302</u>	<u>168,335</u>	<u>1,312,095</u>	<u>5,283,732</u>	

**Governance costs included in support costs:**

	<b>2025 £</b>	<i>2024 £</i>
Remuneration paid to auditor for audit services	<b>12,650</b>	11,825
Statutory accounts production	<b>940</b>	875
Other governance costs	-	44,006
	<u><b>13,590</b></u>	<u>56,706</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2025**

**11. Staff costs**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,887,146	3,094,420
Social security costs	307,353	278,990
Contribution to defined contribution pension schemes	431,133	429,892
	<b>3,625,632</b>	<b>3,803,302</b>
	<b>3,625,632</b>	<b>3,803,302</b>

Included within wages and salaries is supply staff costs which amounted to £1,450 (2024: £127,610).

Aggregate employee benefits of key management personnel £769,173 (2024: £720,708).

Redundancy costs of £27,590 (2024: £Nil) were paid during the year. There was £6,451 (2024 - £Nil) outstanding at year end.

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

	<b>2025</b>	<b>2024</b>
	<b>No.</b>	<b>No.</b>
Teaching	82	85
Other activities	18	21
	<b>100</b>	<b>106</b>
	<b>100</b>	<b>106</b>

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

	<b>2025</b>	<b>2024</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	1	1
In the band £150,001 - £160,000	1	1

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 August 2025, expenses totalling £215 (2024 - £Nil) were reimbursed or paid directly to 1 Trustee (2024 - £NIL to Trustee).

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2025**

**13. Tangible fixed assets**

	Leasehold Improvements £	Fixtures, Fittings & Equipment £	Total £
<b>Cost or valuation</b>			
At 1 September 2024	2,100,947	927,839	3,028,786
Additions	4,985	15,865	20,850
At 31 August 2025	<u>2,105,932</u>	<u>943,704</u>	<u>3,049,636</u>
<b>Depreciation</b>			
At 1 September 2024	1,330,583	766,528	2,097,111
Charge for the year	158,729	5,714	164,443
At 31 August 2025	<u>1,489,312</u>	<u>772,242</u>	<u>2,261,554</u>
<b>Net book value</b>			
At 31 August 2025	<u>616,620</u>	<u>171,462</u>	<u>788,082</u>
At 31 August 2024	<u>770,364</u>	<u>161,311</u>	<u>931,675</u>

**14. Debtors**

	2025 £	2024 £
Trade debtors	1,761,891	414,305
Other debtors	59,004	17,740
Prepayments and accrued income	40,362	86,507
	<u>1,861,257</u>	<u>518,552</u>

An impairment loss of £33,515 (2024: loss of £46,670) was recognised against the School Fees debtors during the year.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2025**

**15. Creditors: Amounts falling due within one year**

	2025 £	2024 £
Deposits from parents	139,046	136,946
Trade creditors	74,747	156,478
Fee's received in advanced	206,634	230,155
Taxes and Social Security Cost	338,200	74,013
Deferred income (see note 16)	1,218,414	15,870
Accruals and other creditors	131,452	133,348
	<b>2,108,493</b>	<b>746,810</b>

**16. Deferred Income**

	2025 £	2024 £
Balance as at 1 September 2024	15,870	221,085
Amounts released to incoming resources	(15,870)	(221,085)
Amounts deferred in the year	1,218,414	15,870
<b>Balance as at 31 August 2025</b>	<b>1,218,414</b>	<b>15,870</b>

Deferred Income comprises of school fees billed in advanced.

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**17. Pension commitments**

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff who joined pre 1 September 2022. The pension charge for the year includes contributions payable to the TPS of £256,067 (2024: £268,037) and at the year-end £28,409 (2024: £33,603) 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 2020 and the Valuation Report was published in October 2023. The Valuation Report shows notional assets of £222.2bn and liabilities of £262bn, resulting in a scheme deficit of £39.8bn.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

**NOW Pension scheme**

The school participates in the NOW pension scheme for its non-teaching staff. The pension charge for the year includes contributions payable to the NOW of £40,883 (2024: £41,966) and at the year-end £4,558 (2024: £4,098) was accrued in respect of contributions to this scheme.

**AVIVA APTIS Pension scheme**

The school participates in the AVIVA APTIS Pension scheme for its teaching staff. All teachers joining on or after 1 September 2022 will automatically be placed onto the APTIS scheme with an employer contribution rate of 17%. The pension charge for the year includes contributions payable to the AVIVA APTIS of £133,624 (2024: £107,264) and at the year-end £9,421 (2024: £17,079) was accrued in respect of contributions to this scheme.

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**18. Operating lease commitments**

At 31 August 2025 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	<b>10,250</b>	<b>14,537</b>
Later than 1 year and not later than 5 years	<b>18,000</b>	<b>30,609</b>
Later than 5 years	<b>153,000</b>	<b>157,500</b>
	<b>181,250</b>	<b>202,646</b>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Operating lease rentals	<b>10,250</b>	<b>14,537</b>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2025**

**19. Statement & summary of funds**

	Balance at 1 September 2024 £	Income £	Expenditure £	Balance at 31 August 2025 £
<b>Unrestricted funds</b>				
General Funds	<u>1,084,366</u>	<u>4,759,755</u>	<u>(4,984,399)</u>	<u>859,722</u>
<b>Statement of funds - prior year</b>				
	<i>Balance at 1 September 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2024 £</i>
<b>Unrestricted funds</b>				
General Funds	<u>1,509,893</u>	<u>4,917,575</u>	<u>(5,343,102)</u>	<u>1,084,366</u>

There were no restricted funds held in the current year or prior year.

**20. Reconciliation of net movement in funds to net cash flow from operating activities**

	2025 £	2024 £
Net expenditure for the year (as per Statement of Financial Activities)	<u>(224,644)</u>	<u>(425,527)</u>
<b>Adjustments for:</b>		
Investment income	(3,954)	(9,630)
Finance costs	43,521	59,370
Depreciation charge	164,443	168,335
Increase in debtors	(1,342,705)	(23,728)
Increase in creditors (excluding fees in advance and deposit)	180,560	141,366
Increase in fees in advance scheme creditors	1,179,023	23,970
Increase/(decrease) in parents deposits	2,100	(20,680)
<b>Net cash used in operating activities</b>	<u>(1,656)</u>	<u>(86,524)</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2025**

**21. Analysis of cash and cash equivalents**

	2025	2024
	£	£
Cash in hand	<u>318,876</u>	<u>380,949</u>

**22. Analysis of changes in net debt**

	At 1 September 2024	Cash flows	At 31 August 2025
	£	£	£
Cash at bank and in hand	380,949	(62,073)	318,876
Fees in advance	(230,155)	23,521	(206,634)
	<u>150,794</u>	<u>(38,552)</u>	<u>112,242</u>

**23. Contingent assets**

Priory School Edgbaston are entitled to recover VAT on certain historical asset purchases, the value of this claim has not been quantified as at year end.

**24. Related party transactions**

The Company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Company at 31 August 2025.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**

England & Wales - Charity number 518009

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# Accounts

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Registered number: 02042309  
Charity number: 518009

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**(A company limited by guarantee)**

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

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<b>Trustees</b>	Ms H Somerfield, Chair (resigned 4 October 2024) <sup>1,2</sup> Ms D Mattison, Vice Chair <sup>1,2</sup> Ms V Naik <sup>1</sup> Mrs A Cleary <sup>1,3,4</sup> Mr S Brereton <sup>2</sup> Mrs P Skrybant <sup>3</sup> Rev J O'Brien Miss S Rai Miss E Cutler (appointed 15 October 2024)
	<sup>1</sup> Finance and General Purpose Committee <sup>2</sup> Risk and Compliance Committee (incorporating Health and Safety) <sup>3</sup> Education Committee <sup>4</sup> Safeguarding and Wellbeing Committee
<b>Company registered number</b>	02042309
<b>Charity registered number</b>	518009
<b>Registered office</b>	Priory School 39 Sir Harry's Road Edgbaston Birmingham B15 2UR
<b>Independent auditor</b>	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
<b>Bankers</b>	Barclays Bank Plc 15 Colmore row Birmingham B3 2EP  Handelsbanken 55 Calthorpe road Edgbaston B15 1TH
<b>Headmaster</b>	Mr J Cramb BA Hons, PGCE, MEd
<b>Finance Director and Company Secretary</b>	Mr N Al-Chamaa BA Hons

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**GOVERNORS, DIRECTORS AND CHARITY TRUSTEES**

The Governors of Priory School Edgbaston Trustees Limited are the School's charity trustees under charity law and they are the directors of the charitable company. Members of the Governing Body (Governing Council) who served in office as Governors during the year and subsequently are detailed below.

During the year certain activities of the Governing Body were carried out through four committees, being the following

	(1)	(2)	(3)	(4)
Mr S Brereton (Chair)	X	X		
Ms D Mattison (Vice Chair)	X	X		
Mr V Naik	X			
Mrs A Cleary	X		X	X
Mrs P Skrybant			X	
Rev J O'Brien				
Dr S Rai		X		

- (1) Finance and General Purpose Committee
- (2) Risk and Compliance Committee (incorporating Health and Safety)
- (3) Education Committee
- (4) Safeguarding and Welbeing Committee

Membership of Committees is shown above for each Governor.

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**(A company limited by guarantee)**

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

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The members of the Priory School Governing Body present their Annual Report for the year ended 31 August 2024 under the Charities Act 2011, including the Directors' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year.

**REFERENCE AND ADMINISTRATIVE INFORMATION**

Priory School Edgbaston Trustees Limited is constituted as a company limited by guarantee registered in England, No. 2042309, and is registered with the Charity Commission under Charity No. 518009.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing documents**

**The School is governed by its Memorandum of Association and Articles of Association, as adopted by a special resolution dated 3rd October 2023.**

**Governing Body**

The Governing Council is the Governing Body. Council members are elected at a general meeting and must be proposed by a member qualified to attend and vote at such meetings, in accordance with the Memorandum and Articles of Association. The number of Council members in office should not be more than 16 and not less than 6, as provided in the Memorandum and Articles of Association.

**Recruitment and training of Directors**

New Directors (Members of the Governing Council) are introduced to the workings of the School, including Governing Council policy and procedures, by members of the Governing Council. Directors also attend specialist external courses from time to time, for example on Safeguarding Training.

**Organisational management**

The Council members meet as a Board at least four times per annum to determine the general policy of the company and to review its overall management and control, for which they are legally responsible.

The Council members delegate day to day management of the School to the Headmaster and his senior management team, comprising the Finance Director, the Finance and Facilities Manager and the Deputy Heads and Assistant Heads of the Preparatory and Senior Schools. Together, this group are the key management personnel.

The Council operates a number of Committees with delegated responsibilities in specific areas. These include the Finance and General Purposes Committee, the Risk and Compliance Committee, The Safeguarding and Wellbeing Committee and the Education Committee. The Head and Finance Director attend meetings of the Governing Council's Committees. In addition, certain members of the Council have specific governance responsibilities in key areas such as Early Years, Child Protection, Marketing and Special Educational Needs.

The Finance and General Purposes Committee meets shortly before each meeting of the full Governing Council, specifically to review financial performance, budgets and management accounts. Responsibilities of this Committee also include Marketing, Facilities, Fundraising and Infrastructural Development projects. The Committee makes recommendations to Governing Council on the annual reviews of School Fee tariffs and Staff Salary scales.

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

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**Employment policy**

Delivery of the School's charitable vision and purpose is primarily dependent on its key management personnel, and staff costs are the largest single element of charitable expenditure.

Remuneration policy is set by the Headmaster and Finance Director, subject to board (Council) approval, with the objective of providing appropriate incentives to encourage optimal performance and of rewarding individual contributions to the School's success fairly and responsibly.

The appropriateness and relevance of remuneration policy is reviewed annually. While reviews include reference to conditions in the education sector generally, the School is free to set its pay scales independently. Here the objective is to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere, while adapting to local budgetary conditions.

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due attention is given to their training and employment needs.

Communication with employees continues through normal management channels, in particular through the Daily Bulletin in which staff are apprised of current issues and of key decisions affecting the school. Whole staff meetings, which are held termly, include briefings from the Headmaster, Finance Director, and other members of the senior management team.

**Key Relationships**

The School is a member of ISA (Independent Schools Association), AGBIS (Association of Governing Bodies of Independent Schools), and ISBA (Independent Schools Bursars' Association).

Locally, the School is a member of the Birmingham Catholic Schools Partnership.

In recognition of its heritage, the School maintains links with the Society of the Holy Child Jesus and with sister schools in the UK, Europe and North America. The Head of Prep and the Chair of Governors will be attending the SHCJ conference as invited guests in March of 2025.

We cooperate with a number of local organisations in our ongoing endeavours to widen public access to the schooling that we can provide, to optimise the use of our cultural and sporting facilities and to develop in our pupils an awareness of the social context of the education that they receive at the School.

The School also benefits from the generosity of its parents' association, the Friends of Priory School, whose close support we greatly appreciate and gladly acknowledge.

**OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

The company is established to advance education by running a School in the United Kingdom as a registered charity for the education of children of both sexes and all denominations.

The company's principal activity remains the provision of independent education for children from Early Years to Sixth Form.

**Strategic Aim**

Priory School is a Catholic Heritage school which welcomes pupils of all faiths and abilities and is committed to delivering success for every child in its care, complementing academic life with performing arts, sports, and other extra-curricular activities designed to develop self-confident and well-rounded individuals.

Our aim is encapsulated in the following extract from our Mission Statement:

*'In partnership with parents or guardians, we provide a nurturing, family-based ethos, alongside high standards of teaching and learning, enabling all pupils to achieve their potential.'*

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Principal activity**

The company's principal activity remains the provision of independent education for children from nursery to sixth form.

**Serving the public benefit**

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. In particular, the School has continued to support the widening of access to our school by pupils from lower income families through the provision of Scholarships and Supported Places. However, as the School has no endowment fund, we have had to maintain a careful balance between fee paying parents and those benefiting from the awards, in order to ensure our ongoing financial viability and to support further development of the School.

The Scholarship scheme offers access to our School for bright pupils who excel academically or in areas such as sport, art, music or drama. During the 2023/2024 academic year we have again complemented the Scholarship scheme with Supported Place awards, which have been means-tested and which have further supplemented the Scholarship award in appropriate cases.

The Council views our Scholarship and Supported Places awards as essential in helping to ensure that children from families who would otherwise not be able to afford the fees can access the education that we offer. Additionally, awards of Bursaries are made on the basis of parental means or to relieve financial hardship where an existing pupil's place might otherwise be at risk. To underline the value that we place on continuity for families, we continue to offer sibling discounts where parents have more than one child at the School.

The Trustees achieve the wider public benefit aim by providing use of the school's facilities for a range of community events and activities, including car parking for major sporting events at Edgbaston Priory Club (tennis tournaments).

Other beneficiaries of this policy this year included

- National Youth Recorder Orchestra
- Birmingham Reggae Choir
- Short Tennis: coached in our sports hall under the auspices of Edgbaston Priory Club.

The School continues to play an active part in seeking to extend its charitable activities to the general public and is willing to assist and support in areas of need. We encourage our pupils to be good team players who are able to think independently and lead when required and we seek to foster a strong sense of the pupils' place in their local community and wider society.

Our pupils also serve the community by entertaining residents of Sunrise Senior Living Care Home in Edgbaston with singing and music. Our pupils also serve the community by suggesting charities to support and by actively engaging in fund raising activities in support of worthy causes, including

- o CAFOD
- o MacMillan Cancer Support
- o St Chad's
- o Fair Trade
- o NSPCC
- o Children in Need
- o SIFA Fireside Homeless Charity
- o Save the Children
- o Ukraine Appeal
- o Unicef
- o Banardos

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**STRATEGIC REPORT**

**FINANCIAL REVIEW**

**Results for the year**

This year, the school reports a deficit of £425,527. This owing to a range of issues. The school now has every determination - including cost savings where possible and strategic management of key resources to do what it can to ensure a better outcome for 2024/2025.

Priory School staff remain our biggest asset but due to the financial performance in 2023/24 it has unfortunately not be able to reward staff with a pay rise in 2024/25.

**Reserves Level and Policy and Financial Viability**

The school's total reserves were £1,084,366 at the year - end. £931,675 of this represented the net book value of fixed assets, leaving free reserves of £152,691. There was no restricted income.

The Council's continuing policy is to seek to have free reserves at a level sufficient to enable the School to withstand consequential pupil losses of up to 10%. The target level of free resources on this basis is approximately £503k and this has been achieved.

The Council has reviewed financial projections for the future. These projections reflect the School's aim to return to growth in pupil numbers throughout the school and to increase net income through modest annual increases in school fee tariffs while continuing the policy of providing judiciously for scholarships, supported places and bursaries. Combined with continued attention to credit control and costs, achievement of this strategic objective should continue to deliver growing surpluses in the year ahead

On this basis, production of these accounts on a going concern basis is considered appropriate.

The Governing Council is aware of wider general threats to the independent education sector in a high inflation economy combined with major changes in taxation policy (VAT) There is little that can be done to stop adverse changes in public policies, other than to keep informed and to rely on the combined lobbying efforts of our representative bodies.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Council continues to keep under review the School's activities, the risks that may arise from them and the internal controls, systems and procedures established to manage them.

Detailed consideration of risk is delegated to the Risk and Compliance Committee, which meets three times a year and reports formally to the Governing Body. The structure of the Committee comprises two members of the Governing Council, assisted by Senior Management.

The risk management process adopted by the Risk and Compliance Committee identifies major risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high. Mitigation measures include ensuring that appropriate insurance cover is in place to cover any insurable risks identified.

The key risks and actions to mitigate those areas are as follows:

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

Risk identified	Mitigation
Damage to reputation from fraud, accident, unsatisfactory inspection reports or adverse media coverage	Careful financial management by Governing Council, supported by a Finance and General Purposes Committee and by the Finance Director;  A Risk and Compliance Committee of the Board with specific delegated responsibility for Health & Safety meets three times a year and reviews policy, practice, and any incidents requiring Board level attention.  Continuous programme of campus security improvements in place  The ethos of the school is to act promptly in response to external communications including those from parents  Regular review of the risk register by the Risk and Compliance Committee  Risk Assessments checked and approved by the Finance and Facilities Manager
Reduction in pupil numbers	Heavy emphasis on and continuing investment in marketing;  Close involvement of senior management in pupil recruitment process;  Increased focus on improving the academic achievement of pupils
Change in Charitable Status and/or imposition of VAT on School Fees	Limited, as changes would apply to the entire independent education sector Change may be gradual rather than immediate

*Other risk aspects:*

The Trustees consider the affordability of fees by parents across the independent sector to be the principal financial risk faced by the School, especially as local competition from other independent schools remains intense. However, to reflect the high level of inflation the Governing Council decided to increase the school fee tariff for 2023/2024 by 7.5% (3% for 2022/2023).

Health and Safety is always a significant area for risk management. The risks generally range from fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions). The level and breadth of activity at the School is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment.

**FUTURE PLANS**

2024/2025 will be another challenging year for Priory School, in which we will continue to build on our financial recovery.

Plans include:

- Seeking to build up pupil numbers again throughout the school by use of intensive marketing initiatives
- Optimising the use of the Mayfield building
- Securing a high cohort value for pupils at the main entry points (principally Year 7)
- Continuing to manage our estate in a cost effective way

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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- Using the School grounds where possible for development of the outdoor curriculum;
- Continuing to strengthen our IT platform and pupil access to IT learning facilities;
- Reopen the TPS consultation to leave the scheme

**STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

The trustees (who are also the directors of Priory School for the purposes of company law) are responsible for preparing the Annual Report and the financial statements with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources for that period. In preparing these financial statements, the Governing Body members are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the charity's constitution. 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.

**Relevant Audit Information**

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Governing Council of Priory School Edgbaston including, in their capacity as company directors, approving the Directors' and Strategic Reports contained herein, and signed on its behalf by:



**Mr S Breton**

Chair of Governing Council

Date: 21/05/2025

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**

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**Opinion**

We have audited the financial statements of Priory School Edgbaston Trustees Limited (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Material uncertainty related to going concern**

We draw attention to note 2.2 in the financial statements, which indicates the conditions identified that may cast significant doubt on the charitable company's ability to continue as a going concern. As stated in note 2.2, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED (CONTINUED)**

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**Other information**

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

We have nothing to report in this regard.

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

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

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

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

- 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED (CONTINUED)**

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**Responsibilities of trustees**

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

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

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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance & General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED (CONTINUED)**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our 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 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Helen Blundell*

**Helen Blundell LLB FCA FCIE DChA (Senior statutory auditor)**

for and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 25 May 2025

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>				
Donations and legacies	4	-	-	100
Charitable activities:				
School fees receivable	5	4,580,164	4,580,164	4,513,051
Ancillary trading income	6	318,888	318,888	276,288
Other trading activities	7	8,893	8,893	5,974
Investments	8	9,630	9,630	7,360
<b>Total income</b>		<b>4,917,575</b>	<b>4,917,575</b>	<b>4,802,773</b>
<b>Expenditure on:</b>				
Raising funds:				
Financing cost	9	59,370	59,370	69,959
Charitable activities:				
Education	10	5,283,732	5,283,732	4,675,535
<b>Total expenditure</b>		<b>5,343,102</b>	<b>5,343,102</b>	<b>4,745,494</b>
<b>Net movement in funds</b>		<b>(425,527)</b>	<b>(425,527)</b>	<b>57,279</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		1,509,893	1,509,893	1,452,614
Net movement in funds		(425,527)	(425,527)	57,279
<b>Total funds carried forward</b>		<b>1,084,366</b>	<b>1,084,366</b>	<b>1,509,893</b>

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

The notes on pages 16 to 30 form part of these financial statements.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 02042309**

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

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	13	931,675	940,646
<b>Current assets</b>			
Debtors	14	518,552	516,182
Cash at bank and in hand		380,949	676,577
		<u>899,501</u>	<u>1,192,759</u>
Creditors: amounts falling due within one year	15	(746,810)	(623,512)
<b>Net current assets</b>		<u>152,691</u>	<u>569,247</u>
<b>Total net assets</b>		<u><u>1,084,366</u></u>	<u><u>1,509,893</u></u>
<b>Charity funds</b>			
Unrestricted funds	19	1,084,366	1,509,893
<b>Total funds</b>		<u><u>1,084,366</u></u>	<u><u>1,509,893</u></u>

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

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

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



**Mr S Breton**

(Chair)

Date: 21/05/2025

The notes on pages 16 to 30 form part of these financial statements.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	21	<b>(86,524)</b>	76,923
<b>Cash flows from investing activities</b>			
Payment for tangible fixed assets		<b>(159,364)</b>	(80,476)
Investment income and bank interest received		<b>9,630</b>	7,360
<b>Net cash used in investing activities</b>		<b>(149,734)</b>	<b>(73,116)</b>
<b>Cash flows from financing activities</b>			
Finance costs paid		<b>(59,370)</b>	(69,959)
<b>Net cash used in financing activities</b>		<b>(59,370)</b>	<b>(69,959)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(295,628)</b>	<b>(66,152)</b>
Cash and cash equivalents at the beginning of the year		<b>676,577</b>	742,729
<b>Cash and cash equivalents at the end of the year</b>	22	<b>380,949</b>	676,577

The notes on pages 16 to 30 form part of these financial statements

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**(A company limited by guarantee)**

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

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**1. General information**

The School is registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 30 July 1986 (company number. 2042309) and registered as a charity on 6 October 1986 (charity number: 518009). The registered office and principal place of business is 39 Sir Harry's Road, Edgbaston, Birmingham, B15 2UR. It's principle activity is provision of schooling.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

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

The functional currency of the School is considered to be sterling because that is the currency of the primary economic environment in which the School operates.

**2.2 Going concern**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

The year ended 31 August 2024 has resulted in a significant deficit for the School for a number of reasons and this has had the effect of reducing the level of reserves available to withstand any future deficits. The cash flow forecasts which cover the period of the next 12 months from point of approval of the financial statements show a potential low point in cash flow such that even with the additional facility of the bank overdraft of £150,000, there is a risk that if there were to be any unexpected delays in receipt of fees, reduction in pupil numbers or unexpected costs, the School cash resources might be insufficient. The recent introduction of VAT for independent schools is an additional factor contributing to uncertainties as it is too early to assess with any great certainty, the likely impact on pupil numbers for the Independent School sector as a whole and for the School itself.

The Trustees and management have already taken actions to mitigate this risk which includes careful monitoring of costs, management of cash flows, monitoring pupil numbers and structuring of operations. The Trustees and management are satisfied from their review of budgets and forecasts and their agreed action plans that it remains appropriate to prepare the financial statements on a going concern basis, but recognise that as a consequence of reduced reserves there remains a material uncertainty that factors which are not wholly in the direct control of the Trustees could impact the financial viability of the School.

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

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**2. Accounting policies (continued)**

**2.3 Fees and similar earned income**

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Fees received in advance of education to be provided in future years are treated as deferred income and included within creditors.

**2.4 Donations, legacies, grants and other voluntary incoming resources**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

**2.5 Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

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**2. Accounting policies (continued)**

**2.6 Tangible fixed assets and depreciation**

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

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

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

Depreciation is provided on the following bases:

Leasehold Improvements	- 5 to 20 years
Fixtures, Fittings & Equipment	- 3 to 10 years

**2.7 Debtors**

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

**2.8 Cash at bank and in hand**

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

**2.9 Creditors and provisions**

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

**2.10 Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

**2.11 Fund accounting**

The charitable trust funds of the school are accounted for as unrestricted or restricted income.

**Unrestricted** income belongs to the Schools' corporate reserves, spendable at the discretion of the Trustees either to further the School's Objects or to benefit the School itself. Where the Trustees decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**(A company limited by guarantee)**

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

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**2. Accounting policies (continued)**

**2.12 Pension costs**

Retirement benefits to employees of the School who are teachers are provided through a defined benefit scheme. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the Schools' share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The Schools' contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are pay able.

AVIVA APTIS Pension Scheme, is a defined contribution scheme. See Note 17 for further details.

**2.13 Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**3. Critical accounting estimates and areas of judgement**

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

**4. Income from donations and legacies**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Donations	-	-	100
	-	-	100

**5. Charitable activities - Fees receivable**

	<b>2024 £</b>	<i>2023 £</i>
School fees	5,530,728	5,443,664
Less: total scholarships and bursaries	(950,564)	(930,613)
	<b>4,580,164</b>	<i>4,513,051</i>

Scholarships, bursaries and other awards were paid to 214 pupils (2023: 263). Within this means-tested bursaries totaling £172,135 were paid to 19 pupils (2023: £186,748 to 55 pupils).

The total income from school fees is all unrestricted in both years.

**6. Charitable activities - Other income**

	<b>2024 £</b>	<i>2023 £</i>
Extras	265,934	216,780
Entrance and registration fees	51,428	56,830
Commissions and other income	1,526	2,678
	<b>318,888</b>	<i>276,288</i>

The total other income is all unrestricted in both years.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

**7. Other trading activities**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Lettings	4,171	4,171	3,500
Other	4,722	4,722	2,474
	<u>8,893</u>	<u>8,893</u>	<u>5,974</u>

**8. Investment income**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Bank Interest	9,630	9,630	7,360
	<u>9,630</u>	<u>9,630</u>	<u>7,360</u>

**9. Finance and other costs**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Bad and doubtful debts	46,670	46,670	59,095
Bank charges	12,700	12,700	10,864
	<u>59,370</u>	<u>59,370</u>	<u>69,959</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

**10. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2024 £</b>	<b>Total 2024 £</b>	<i>Total 2023 £</i>
Teaching	3,378,213	<b>3,378,213</b>	2,944,704
Welfare	503,399	<b>503,399</b>	361,075
Premises	808,243	<b>808,243</b>	831,578
Support costs and governance	593,877	<b>593,877</b>	538,178
	<u>5,283,732</u>	<u><b>5,283,732</b></u>	<u>4,675,535</u>

**Summary by expenditure type**

	<b>Staff costs 2024 £</b>	<b>Depreciation 2024 £</b>	<b>Other costs 2024 £</b>	<b>Total 2024 £</b>	<i>Total 2023 £</i>
Teaching	3,176,820	-	201,393	<b>3,378,213</b>	2,944,704
Welfare	-	-	503,399	<b>503,399</b>	361,075
Premises	270,648	168,335	369,260	<b>808,243</b>	831,578
Support costs and governance	355,834	-	238,043	<b>593,877</b>	538,178
<b>Total 2024</b>	<u>3,803,302</u>	<u>168,335</u>	<u>1,312,095</u>	<u><b>5,283,732</b></u>	<u>4,675,535</u>
<i>Total 2023</i>	<u>3,422,127</u>	<u>168,994</u>	<u>1,084,414</u>	<u>4,675,535</u>	

**Governance costs included in support costs:**

	<b>2024 £</b>	<i>2023 £</i>
Remuneration paid to auditor for audit services	<b>11,825</b>	12,175
Statutory accounts production	<b>875</b>	825
Other governance costs	<b>44,006</b>	56,773
	<u><b>56,706</b></u>	<u>69,773</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

**11. Staff costs**

	2024 £	2023 £
Wages and salaries	3,094,420	2,813,553
Social security costs	278,990	253,197
Contribution to defined contribution pension schemes	429,892	355,377
	3,803,302	3,422,127

Included within wages and salaries is supply staff costs which amounted to £127,610 (2023: £47,199).

Aggregate employee benefits of key management personnel £720,708 (2023: £658,646).

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

	2024 No.	2023 No.
Teaching	85	77
Other activities	21	22
	106	99

During the year termination payments were made of £16,881 to one individual (2023: £nil).  
The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024 No.	2023 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	-	3
In the band £150,001 - £160,000	1	-

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2023: £Nil).

During the year ended 31 August 2024, no Trustee expenses have been incurred (2023: £Nil).

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

**13. Tangible fixed assets**

	Leasehold Improvements £	Fixtures, Fittings & Equipment £	Total £
<b>Cost or valuation</b>			
At 1 September 2023	2,085,865	783,557	2,869,422
Additions	15,082	144,282	159,364
At 31 August 2024	<u>2,100,947</u>	<u>927,839</u>	<u>3,028,786</u>
<b>Depreciation</b>			
At 1 September 2023	1,212,311	716,465	1,928,776
Charge for the year	118,272	50,063	168,335
At 31 August 2024	<u>1,330,583</u>	<u>766,528</u>	<u>2,097,111</u>
<b>Net book value</b>			
At 31 August 2024	<u>770,364</u>	<u>161,311</u>	<u>931,675</u>
At 31 August 2023	<u>873,554</u>	<u>67,092</u>	<u>940,646</u>

**14. Debtors**

	2024 £	2023 £
Trade debtors	414,305	337,617
Other debtors	17,740	73,855
Prepayments and accrued income	86,507	104,710
	<u>518,552</u>	<u>516,182</u>

An impairment loss of £46,670 (2023: loss of £59,095) was recognised against the School Fees debtors during the year.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

**15. Creditors: Amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	£	£
Deposits from parents	<b>136,946</b>	157,626
Trade creditors	<b>156,478</b>	102,496
Taxes and Social Security Cost	<b>74,013</b>	60,850
Deferred income (see note 16)	<b>246,025</b>	221,085
Accruals and other creditors	<b>133,348</b>	81,455
	<b>746,810</b>	623,512
	<b>746,810</b>	623,512

**16. Deferred Income**

	<b>2024</b>	<b>2023</b>
	£	£
Balance as at 1 September 2023	<b>221,085</b>	230,876
Amounts released to incoming resources	<b>(221,085)</b>	(230,876)
Amounts deferred in the year	<b>246,025</b>	221,085
<b>Balance as at 31 August 2024</b>	<b>246,025</b>	221,085
	<b>246,025</b>	221,085

Deferred income comprises school fees received in advance and trip monies received in advance.

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

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**17. Pension commitments**

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff who joined pre 1 September 2022. The pension charge for the year includes contributions payable to the TPS of £268,037 (2023: £391,155) and at the year-end £33,603 (2023: £31,354) 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 2020 and the Valuation Report was published October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible member can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Given the increase in employer contribution rate and the possibility of further increases in the future, a decision was taken to proceed with Phased Withdrawal from the TPS from 1 September 2022, meaning those teachers joining the school on or after this date would not be eligible to join the TPS, but would instead be eligible to join the AVIVA APTIS defined contribution scheme.

**NOW Pension scheme**

The school participates in the NOW pension scheme for its non-teaching staff. The pension charge for the year includes contributions payable to the NOW of £41,966 (2023: £34,406) and at the year-end £4,098 (2023: £3,512) was accrued in respect of contributions to this scheme.

**AVIVA APTIS Pension scheme**

The school participates in the AVIVA APTIS Pension scheme for its teaching staff. All teachers joining on or after 1 September 2022 will automatically be placed onto the APTIS scheme with an employer contribution rate of 17%. The pension charge for the year includes contributions payable to the AVIVA APTIS of £107,264 (2023: £58,200) and at the year-end £17,079 (2023: £337) was accrued in respect of contributions to this scheme.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

**18. Operating lease commitments**

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

	2024 £	2023 £
Not later than 1 year	14,537	12,932
Later than 1 year and not later than 5 years	30,609	39,039
Later than 5 years	157,500	162,000
	<u>202,646</u>	<u>213,971</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2024 £	2023 £
Operating lease rentals	<u>14,537</u>	<u>22,272</u>

**19. Statement & summary of funds**

	Balance at 1 September 2023 £	Income £	Expenditure £	Balance at 31 August 2024 £
<b>Unrestricted funds</b>				
General Funds	<u>1,509,893</u>	<u>4,917,575</u>	<u>(5,343,102)</u>	<u>1,084,366</u>
<b>Statement of funds - prior year</b>				
	<i>Balance at 1 September 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2023 £</i>
<b>Unrestricted funds</b>				
General Funds	<u>1,452,614</u>	<u>4,802,773</u>	<u>(4,745,494)</u>	<u>1,509,893</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

**20. Analysis of net assets between funds**

Fund balances at 31 August 2024 are represented by:

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Tangible fixed assets	931,675	<b>931,675</b>
Current assets	899,501	<b>899,501</b>
Creditors due within one year	(746,810)	<b>(746,810)</b>
<b>Total</b>	<u>1,084,366</u>	<u><b>1,084,366</b></u>

**Analysis of net assets between funds - prior period**

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	940,646	940,646
Current assets	1,192,759	1,192,759
Creditors due within one year	(623,512)	(623,512)
<b>Total</b>	<u>1,509,893</u>	<u>1,509,893</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
(A company limited by guarantee)

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

**21. Reconciliation of net movement in funds to net cash flow from operating activities**

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	<b>(425,527)</b>	57,279
<b>Adjustments for:</b>		
Investment income	(9,630)	(7,360)
Finance costs	59,370	69,959
Depreciation charge	168,335	168,994
Increase in debtors	(23,728)	(270,234)
Increase in creditors (excluding fees in advance and deposit)	141,366	51,026
Increase/(Decrease) in fees in advance scheme creditors	23,970	(9,791)
(Decrease)/increase in parents deposits	(20,680)	17,050
<b>Net cash provided by/(used in) operating activities</b>	<b>(86,524)</b>	76,923

**22. Analysis of cash and cash equivalents**

	2024 £	2023 £
Cash in hand	<b>380,949</b>	676,577

**23. Analysis of changes in net debt**

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	676,577	(295,628)	380,949
Debt due within 1 year	(221,085)	(23,970)	(245,055)
	<b>455,492</b>	<b>(319,598)</b>	<b>135,894</b>

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**(A company limited by guarantee)**

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

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**24. Related party transactions**

The Company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Company at 31 August 2024.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**

England & Wales - Charity number 518009

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# Accounts

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**Company No. 2042309**  
**Registered in England and Wales**  
**Charity No. 518009**

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**GOVERNORS, OFFICERS AND ADVISERS**  
**YEAR ENDED 31 AUGUST 2023**

**GOVERNORS, DIRECTORS AND CHARITY TRUSTEES**

The Governors of Priory School Edgbaston Trustees Limited are the School's charity trustees under charity law and they are the directors of the charitable company. Members of the Governing Body (Governing Council) who served in office as Governors during the year and subsequently are detailed below.

		(1)	(2)	(3)	(4)
Ms H Somerfield (Chair)		X	X		
Ms D Mattison (Vice Chair)		X	X		
Mr V Naik		X			
Mrs A Cleary		X		X	X
Mr S Brereton			X		
Mrs P Skrybant				X	
Rev J O'Brien	Appointed 5 October 2022				
Miss S Rai	Appointed 5 October 2022				

During the year certain activities of the Governing Body were carried out through three committees, being the following

- (1) Finance and General Purposes Committee
- (2) Risk and Compliance Committee (incorporating Health and Safety)
- (3) Education Committee
- (4) Safeguarding and Wellbeing Committee

Membership of Committees is shown above for each Governor.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**GOVERNORS, OFFICERS AND ADVISERS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**ADVISORS**

**Officers (currently and throughout the year)**

Mr J Cramb BA Hons, PGCE, MEd	Headmaster
Mr Nedal Al-Chamaa	Finance Director and Company Secretary

**Registered Office**

Priory School, 39 Sir Harry's Road, Edgbaston, Birmingham, B15 2UR

**Auditors**

Crowe U.K. LLP, Rounds Green Road, Oldbury, West Midlands, B69 2DG

**Bankers**

Handelsbanken, 55 Calthorpe Road, Edgbaston, Birmingham B15 1TH

and

Barclays Bank, Birmingham Business Centre, 15 Colmore Row, Birmingham, B3 2EP

**Website**

[www.prioryschool.net](http://www.prioryschool.net)

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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The members of the Priory School Governing Body present their Annual Report for the year ended 31 August 2023 under the Charities Act 2011, including the Directors' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year.

**REFERENCE AND ADMINISTRATIVE INFORMATION**

Priory School Edgbaston Trustees Limited is constituted as a company limited by guarantee registered in England, No. 2042309, and is registered with the Charity Commission under Charity No. 518009.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing documents**

**The School is governed by its Memorandum of Association and Articles of Association, as adopted by a special resolution dated 3<sup>rd</sup> October 2023.**

**Governing Body**

The Governing Council is the Governing Body. Council members are elected at a general meeting and must be proposed by a member qualified to attend and vote at such meetings, in accordance with the Memorandum and Articles of Association. The number of Council members in office should not be more than 16 and not less than 6, as provided in the Memorandum and Articles of Association.

**Recruitment and training of Directors**

New Directors (Members of the Governing Council) are introduced to the workings of the School, including Governing Council policy and procedures, by members of the Governing Council. Directors also attend specialist external courses from time to time, for example on Safeguarding Training.

**Organisational management**

The Council members meet as a Board at least four times per annum to determine the general policy of the company and to review its overall management and control, for which they are legally responsible.

The Council members delegate day to day management of the School to the Headmaster and his senior management team, comprising the Finance Director, the Finance and Facilities Manager and the Deputy Heads and Assistant Heads of the Preparatory and Senior Schools. Together, this group are the key management personnel.

The Council operates a number of Committees with delegated responsibilities in specific areas. These include the Finance and General Purposes Committee, the Risk and Compliance Committee, The Safeguarding and Wellbeing Committee and the Education Committee. The Head and Finance Director attend meetings of the Governing Council's Committees. In addition, certain members of the Council have specific governance responsibilities in key areas such as Early Years, Child Protection, Marketing and Special Educational Needs.

The Finance and General Purposes Committee meets shortly before each meeting of the full Governing Council, specifically to review financial performance, budgets and management accounts. Responsibilities of this Committee also include Marketing, Facilities, Fundraising and Infrastructural Development projects. The Committee makes recommendations to Governing Council on the annual reviews of School Fee tariffs and Staff Salary scales.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Employment policy**

Delivery of the School's charitable vision and purpose is primarily dependent on its key management personnel, and staff costs are the largest single element of charitable expenditure.

Remuneration policy is set by the Headmaster and Finance Director, subject to board (Council) approval, with the objective of providing appropriate incentives to encourage optimal performance and of rewarding individual contributions to the School's success fairly and responsibly.

The appropriateness and relevance of remuneration policy is reviewed annually. While reviews include reference to conditions in the education sector generally, the School is free to set its pay scales independently. Here the objective is to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere, while adapting to local budgetary conditions.

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due attention is given to their training and employment needs.

Communication with employees continues through normal management channels, in particular through the Daily Bulletin in which staff are apprised of current issues and of key decisions affecting the school. Whole staff meetings, which are held termly, include briefings from the Headmaster, Finance Director, and other members of the senior management team.

**Key Relationships**

The School is a member of ISA (Independent Schools Association), AGBIS (Association of Governing Bodies of Independent Schools), and ISBA (Independent Schools Bursars' Association).

Locally, the School is a member of the Birmingham Catholic Schools Partnership.

In recognition of its heritage, the School maintains links with the Society of the Holy Child Jesus and with sister schools in the UK, Europe and North America.

We cooperate with a number of local organisations in our ongoing endeavours to widen public access to the schooling that we can provide, to optimise the use of our cultural and sporting facilities and to develop in our pupils an awareness of the social context of the education that they receive at the School.

The School also benefits from the generosity of its parents' association, the Friends of Priory School, whose close support we greatly appreciate and gladly acknowledge.

**OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

The company is established to advance education by running a School in the United Kingdom as a registered charity for the education of children of both sexes and all denominations.

The company's principal activity remains the provision of independent education for children from Early Years to Sixth Form.

**Strategic Aim**

Priory School is a Catholic Heritage school which welcomes pupils of all faiths and abilities and is committed to delivering success for every child in its care, complementing academic life with performing arts, sports, and other extra-curricular activities designed to develop self-confident and well-rounded individuals.

Our aim is encapsulated in the following extract from our Mission Statement:

*'In partnership with parents or guardians, we provide a nurturing, family-based ethos, alongside high standards of teaching and learning, enabling all pupils to achieve their potential.'*

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Principal activity**

The company's principal activity remains the provision of independent education for children from nursery to sixth form.

**Serving the public benefit**

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. In particular, the School has continued to support the widening of access to our school by pupils from lower income families through the provision of Scholarships and Supported Places. However, as the School has no endowment fund, we have had to maintain a careful balance between fee paying parents and those benefiting from the awards, in order to ensure our ongoing financial viability and to support further development of the School.

The Scholarship scheme offers access to our School for bright pupils who excel academically or in areas such as sport, art, music or drama. During the 2022/2023 academic year we have again complemented the Scholarship scheme with Supported Place awards, which have been means-tested and which have further supplemented the Scholarship award in appropriate cases.

The Council views our Scholarship and Supported Places awards as essential in helping to ensure that children from families who would otherwise not be able to afford the fees can access the education that we offer. Additionally, awards of Bursaries are made on the basis of parental means or to relieve financial hardship where an existing pupil's place might otherwise be at risk. To underline the value that we place on continuity for families, we continue to offer sibling discounts where parents have more than one child at the School.

We continue to offer, special full scholarship awards to one child, as part of the School's response to the crisis in their native country.

The Trustees achieve the wider public benefit aim by providing use of the school's facilities for a range of community events and activities, including car parking for major sporting events at Edgbaston Priory Club (tennis tournaments).

Other beneficiaries of this policy this year included

- National Youth Recorder Orchestra
- Birmingham Reggae Choir
- Short Tennis: coached in our sports hall under the auspices of Edgbaston Priory Club.

The School continues to play an active part in seeking to extend its charitable activities to the general public and is willing to assist and support in areas of need. We encourage our pupils to be good team players who are able to think independently and lead when required and we seek to foster a strong sense of the pupils' place in their local community and wider society.

We play a key role in the Catholic Partnership, which consists mainly of state schools, by hosting sports events and by opening our acclaimed Forest School to Partnership pupils. Our pupils also serve the community by entertaining residents of Sunrise Senior Living Care Home in Edgbaston with singing and music. Our pupils also serve the community by suggesting charities to support and by actively engaging in fund raising activities in support of worthy causes, including

- o CAFOD
- o MacMillan Cancer Support
- o St Chad's
- o Fair Trade
- o NSPCC
- o Children in Need
- o SIFA Fireside Homeless Charity
- o Save the Children
- o Ukraine Appeal
- o Unicef
- o Banardos

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**FINANCIAL REVIEW**

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**Results for the year**

This year, the school reports a surplus of £57,279 continuing the upward trend as seen over the last 2 years.

Continued growth has been achieved through the dedicated efforts of the Priory Staff, including cost savings where possible and strategic management of key resources whilst pupil numbers continue to grow.

Priory School staff remain our biggest asset and were rewarded for their continued hard work, loyalty and commitment during 2022/23 with a significant pay rise. It has also been agreed to reinstate the teacher pay scale arrangement as soon as financially possible.

**Reserves Level and Policy and Financial Viability**

The school's total reserves were £1,509,893 at the year - end. £940,646 of this represented the net book value of fixed assets, leaving free reserves of £569,247 (2022 £423,450). There was no restricted income.

The Council's continuing policy is to seek to have free reserves at a level sufficient to enable the School to withstand consequential pupil losses of up to 10%. The target level of free resources on this basis is approximately £503k and this has been achieved.

The Council has reviewed financial projections for the future. These projections reflect the School's aim to return to growth in pupil numbers throughout the school and to increase net income through modest annual increases in school fee tariffs while continuing the policy of providing judiciously for scholarships, supported places and bursaries. Combined with continued attention to credit control and costs, achievement of this strategic objective should continue to deliver growing surpluses in the year ahead

On this basis, production of these accounts on a going concern basis is considered appropriate.

The Governing Council is aware of wider general threats to the independent education sector in a high inflation economy combined with the potential for major changes in taxation policy at some future date. There is little that can be done to stop adverse changes in public policies, other than to keep informed and to rely on the combined lobbying efforts of our representative bodies.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Council continues to keep under review the School's activities, the risks that may arise from them and the internal controls, systems and procedures established to manage them.

Detailed consideration of risk is delegated to the Risk and Compliance Committee, which meets three times a year and reports formally to the Governing Body. The structure of the Committee comprises two members of the Governing Council, assisted by Senior Management.

The risk management process adopted by the Risk and Compliance Committee identifies major risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high. Mitigation measures include ensuring that appropriate insurance cover is in place to cover any insurable risks identified.

The key risks and actions to mitigate those areas are as follows:

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

Risk identified	Mitigation
Damage to reputation from fraud, accident, unsatisfactory inspection reports or adverse media coverage	Careful financial management by Governing Council, supported by a Finance and General Purposes Committee and by the Finance Director;  A Risk and Compliance Committee of the Board with specific delegated responsibility for Health & Safety meets three times a year and reviews policy, practice, and any incidents requiring Board level attention.  Continuous programme of campus security improvements in place  The ethos of the school is to act promptly in response to external communications including those from parents  Regular review of the risk register by the Risk and Compliance Committee  Risk Assessments checked and approved by the Finance and Facilities Manager
Reduction in pupil numbers	Heavy emphasis on and continuing investment in marketing;  Close involvement of senior management in pupil recruitment process;  Increased focus on improving the academic achievement of pupils
Change in Charitable Status and/or imposition of VAT on School Fees	Limited, as changes would apply to the entire independent education sector Change may be gradual rather than immediate

*Other risk aspects:*

The Trustees consider the affordability of fees by parents across the independent sector to be the principal financial risk faced by the School, especially as local competition from other independent schools remains intense. However, to reflect the high level of inflation the Governing Council decided to increase the school fee tariff for 2023/2024 by 7.5% (3% for 2022/2023).

Health and Safety is always a significant area for risk management. The risks generally range from fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions). The level and breadth of activity at the School is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment.

**FUTURE PLANS**

2023/2024 will be another challenging year for Priory School, in which we will continue to build on our financial recovery.

Plans include:

- Seeking to build up pupil numbers again throughout the school by use of intensive marketing initiatives
- Optimising the use of the Mayfield building
- Securing a high cohort value for pupils at the main entry points (principally Year 7)
- Continuing to manage our estate in a cost effective way
- Using the School grounds where possible for development of the outdoor curriculum;
- Continuing to strengthen our IT platform and pupil access to IT learning facilities;

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

The trustees (who are also the directors of Priory School for the purposes of company law) are responsible for preparing the Annual Report and the financial statements with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources for that period. In preparing these financial statements, the Governing Body members are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the charity's constitution. 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.

**Relevant Audit Information**

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Governing Council of Priory School Edgbaston including, in their capacity as company directors, approving the Directors' and Strategic Reports contained herein, and signed on its behalf by:



**H Somerfield**  
Chair of Governing Council

Date: 22 May 2024

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Opinion**

We have audited the financial statements of Priory School Edgbaston Trustees Limited for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance or 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.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Opinions on other matters 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, including the strategic 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 strategic report and the directors' report included within the trustees' report have 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 Trustees' Report including the 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; 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 trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance & General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Kerry Brown (Senior statutory auditor)

For and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 30/05/2024

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted Funds £	<b>2023 Total £</b>	<i>2022 Total £</i>
<b>Income from:</b>				
<b>Charitable activities</b>				
School fees receivable	2	4,513,051	<b>4,513,051</b>	4,247,862
Ancillary trading income	3	276,288	<b>276,288</b>	221,891
<b>Other trading activities</b>	4	5,974	<b>5,974</b>	10,807
<b>Investments</b>	5	7,360	<b>7,360</b>	14
<b>Donations and legacies</b>	6	100	<b>100</b>	=
<b>Total incoming resources</b>		<u>4,802,773</u>	<b><u>4,802,773</u></b>	<u>4,480,574</u>
<b>Expenditure on:</b>				
<b>Raising funds</b>				
Financing costs	7	69,959	<b>69,959</b>	52,330
<b>Charitable activities</b>				
Education	7	<u>4,675,535</u>	<b><u>4,675,535</u></b>	<u>4,405,480</u>
<b>Total expenditure</b>		<u>4,745,494</u>	<b><u>4,745,494</u></b>	<u>4,457,810</u>
<b>Net incoming funds from operations before transfers</b>		<u>57,279</u>	<b><u>57,279</u></b>	<u>22,764</u>
Net movement in funds for the year		<u>57,279</u>	<b><u>57,279</u></b>	<u>22,764</u>
Fund balances at 1 September 2022		<u>1,452,614</u>	<b><u>1,452,614</u></b>	<u>1,429,850</u>
<b>Fund balances at 31 August 2023</b>		<u>1,509,893</u>	<b><u>1,509,893</u></b>	<u>1,452,614</u>

The notes on pages 17 to 28 form part of these financial statements

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**BALANCE SHEET**  
**AS AT 31 AUGUST 2023**

	Note	2023 £	2022 £
<b>FIXED ASSETS</b>			
Tangible assets	10	<u>940,646</u>	<u>1,029,164</u>
<b>CURRENT ASSETS</b>			
Debtors	11	516,182	245,948
Cash and deposits		<u>676,577</u>	<u>742,729</u>
		1,192,759	988,677
<b>CURRENT LIABILITIES</b>			
Creditors payable within one year	12	<u>(623,512)</u>	<u>(565,227)</u>
<b>NET CURRENT ASSETS</b>		<u>569,247</u>	<u>423,450</u>
<b>NET ASSETS</b>		<u>1,509,893</u>	<u>1,452,614</u>
<b>REPRESENTED BY:</b>			
<b>UNRESTRICTED FUNDS</b>			
General Reserve	15	<u>1,509,893</u>	<u>1,452,614</u>

These financial statements were approved by the Governing Body and signed on its behalf by:

**H Somerfield**  
 (Chair)  
 Date: 22 May 2024



The notes on pages 17 to 28 form part of these financial statements

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**CASH FLOW STATEMENT**  
**AS AT 31 AUGUST 2023**

	2023		2022	
	£	£	£	£
<b>Net cash outflow from operations</b>				
Net cash provided by operating activities (i)		<u>76,923</u>		<u>102,313</u>
<b>Cash flows from investing activities:</b>				
Payments for tangible fixed assets	(80,476)		(51,447)	
Investment income and bank interest received	<u>7,360</u>		<u>14</u>	
<b>Net cash used in by investing activities</b>		<u>(73,116)</u>		<u>(51,433)</u>
<b>Cash flows from financing activities:</b>				
Finance costs paid	(69,959)		(52,330)	
<b>Net cash provided by financing activities</b>		<u>(69,959)</u>		<u>(52,330)</u>
Change in cash and cash equivalents in the period		(66,152)		(1,450)
Cash and cash equivalents at the beginning of the period		<u>742,729</u>		<u>744,179</u>
Cash and cash equivalents at the end of the period		<u>676,577</u>		<u>742,729</u>

The notes on pages 17 to 28 form part of these financial statements

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE CASH FLOW STATEMENT**  
**AS AT 31 AUGUST 2023**

(i) **Reconciliation of net income to net cash flow from operating activities**

	2023 £	2022 £
Net incoming resources	57,279	22,764
Elimination of non-operating cash flows:		
- Investment income	(7,360)	(14)
- Finance costs	69,959	52,330
Depreciation charge	168,994	169,386
Decrease/(Increase) in debtors	(270,234)	98,161
Increase/(Decrease) in creditors (excluding fees in advance and deposit)	51,026	(55,634)
Increase/(Decrease) in fees in advance scheme creditors	(9,791)	(194,920)
(Decrease) in parents' deposits	<u>17,050</u>	<u>10,240</u>
<b>Net cash inflow/(outflow) from operations</b>	<b><u>76,923</u></b>	<b><u>102,313</u></b>

(ii) **Analysis of cash and cash equivalents**

Cash at bank	<u>676,577</u>	<u>742,729</u>
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(iii) **Analysis of changes in net debt**

	At 1 September 2022 £	Cash flows £	Other non-cash changes £	At 31 August 2023 £
Cash at bank and in hand	<u>742,729</u>	<u>(66,152)</u>	<u>—</u>	<u>676,577</u>

The notes on pages 17 to 28 form part of these financial statements

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**1. ACCOUNTING POLICIES**

**1.1 Basis**

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

The functional currency of the School is considered to be sterling because that is the currency of the primary economic environment in which the School operates.

The Trustees have a reasonable expectation that Priory School Edgbaston Trustees Limited has adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties about the School's ability to continue and therefore the Trustees adopt the going concern basis of accounting in preparing the financial statements.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 30 July 1986 (company number: 2042309) and registered as a charity on 6 October 1986 (charity number: 518009). The registered office and principal place of business is 39 Sir Harry's Road, Edgbaston, Birmingham, B15 2UR.

**1.2 Critical accounting judgements and key sources of estimation uncertainty**

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

**1.3 Fees and similar earned income**

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Fees received in advance of education to be provided in future years are treated as deferred income and included within creditors.

**1.4 Donations, legacies, grants and other voluntary incoming resources**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**ACCOUNTING POLICIES (continued)**

**1.5 Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

**1.6 Tangible fixed assets**

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value, evenly over its expected useful life, as follows:

- Fixtures, fittings and equipment                      3 to 10 years
- Leasehold improvements                                      5 to 20 years

Depreciation is provided in full in the year of acquisition.

Expenditure of a capital nature below £500 are not capitalised.

**1.7 Debtors**

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

**1.8 Creditors and provisions**

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

**1.9 Fund accounting**

The charitable trust funds of the School are accounted for as unrestricted or restricted income

**Unrestricted** income belongs to the Schools' corporate reserves, spendable at the discretion of the Trustees either to further the School's Objects or to benefit the School itself. Where the Trustees decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

**Restricted** income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**ACCOUNTING POLICIES (continued)**

**1.10 Pension costs**

Retirement benefits to employees of the School who are teachers are provided through a defined benefit scheme. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the Schools' share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The Schools' contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

AVIVA APTIS Pension Scheme, is a defined contribution scheme. See Note 17 for further details.

**1.11 Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**1.12 Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

**1.13 Cash at Bank and in hand**

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

**2. CHARITABLE ACTIVITIES – FEES RECEIVABLE**

	2023	2022
	£	£
<b>Fees receivable consist of:</b>		
School fees	5,443,664	5,050,606
Less: total scholarships and bursaries	<u>(930,613)</u>	<u>(802,744)</u>
	<b><u>4,513,051</u></b>	<b><u>4,247,862</u></b>

Scholarships, bursaries and other awards were paid to 263 pupils (2022: 210). Within this means-tested bursaries totaling £186,748 were paid to 55 pupils (2022: £166,322 to 60 pupils).

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

<b>3. CHARITABLE ACTIVITIES – OTHER INCOME</b>	<b>2023</b>	<b>2022</b>
	£	£
Extras	216,780	169,193
Entrance and registration fees	56,830	47,851
Commissions and other income	<u>2,678</u>	<u>4,847</u>
	<b><u>276,288</u></b>	<b><u>221,891</u></b>
 <b>4. OTHER TRADING ACTIVITIES</b>	 <b>2023</b>	 <b>2022</b>
	£	£
<b>Other activities</b>		
Lettings	3,500	3,500
Other	<u>2,474</u>	<u>7,307</u>
	<b><u>5,974</u></b>	<b><u>10,807</u></b>
 <b>5. INVESTMENTS</b>	 <b>Total</b>	 <b>Total</b>
	<b>2023</b>	<b>2022</b>
	£	£
Bank interest	<u>7,360</u>	<u>14</u>
 <b>6. DONATIONS &amp; LEGACIES</b>	 <b>Total</b>	 <b>Total</b>
	<b>2023</b>	<b>2022</b>
	£	£
Donations	<u>100</u>	<u>-</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**7. ANALYSIS OF EXPENDITURE**

**(a) Total expenditure**

	Staff costs	Depreciation	Other	Total	Total
	(note 9)	(note 10)		2023	2022
	£	£	£	£	£
<b>Costs of generating funds</b>					
Financing costs (note 8)	—	—	<u>69,959</u>	<u>69,959</u>	<u>52,330</u>
<b>Total costs of generating funds</b>	<u>—</u>	<u>—</u>	<u>69,959</u>	<u>69,959</u>	<u>52,330</u>
<b>Charitable expenditure</b>					
<i>Education</i>					
Teaching	3,796,579	-	148,125	<b>2,944,704</b>	<b>2,864,287</b>
Welfare	-	-	361,075	<b>361,075</b>	<b>227,294</b>
Premises	251,785	168,994	410,797	<b>831,576</b>	<b>731,679</b>
Support costs and governance	373,763	-	164,417	<b>538,810</b>	<b>582,220</b>
<b>Total charitable expenditure</b>	<u>3,422,127</u>	<u>168,994</u>	<u>1,084,412</u>	<u>4,675,535</u>	<u>4,405,480</u>
<b>Total expended</b>	<u>3,422,127</u>	<u>168,994</u>	<u>1,154,371</u>	<u>4,745,494</u>	<u>4,457,810</u>

*Total expenditure comparative*

	Staff costs	Depreciation	Other	Total	Total
	(note 9)	(note 10)		2022	2021
	£	£	£	£	£
<b>Costs of generating funds</b>					
Financing costs (note 8)	—	—	<u>52,330</u>	<u>52,330</u>	<u>(8,340)</u>
<b>Total costs of generating funds</b>	<u>—</u>	<u>—</u>	<u>52,330</u>	<u>52,330</u>	<u>(8,340)</u>
<b>Charitable expenditure</b>					
<i>Education</i>					
Teaching	2,706,210	-	158,077	2,864,287	3,013,021
Welfare	-	-	227,294	227,294	324,455
Premises	279,560	169,386	282,733	731,679	809,394
Support costs and governance	285,690	-	296,530	582,220	482,492
<b>Total charitable expenditure</b>	<u>3,271,460</u>	<u>169,386</u>	<u>964,634</u>	<u>4,405,480</u>	<u>4,629,362</u>
<b>Total expended</b>	<u>3,271,460</u>	<u>169,386</u>	<u>1,016,964</u>	<u>4,457,810</u>	<u>4,621,022</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

<b>7.</b>	<b>ANALYSIS OF EXPENDITURE (CONTINUED)</b>	<b>2023</b>	<b>2022</b>
	<b>(b) Governance included in support costs:</b>		
		£	£
	Remuneration paid to auditor for audit services	12,175	11,500
	Statutory Accounts production	825	-
	Other governance costs	<u>56,773</u>	<u>56,758</u>
		<u>68,948</u>	<u>68,258</u>
<b>8.</b>	<b>FINANCE AND OTHER COSTS</b>	<b>2023</b>	<b>2022</b>
		£	£
	Bank charges	10,864	9,539
	Bad and doubtful debts	<u>59,095</u>	<u>42,791</u>
		<u>69,959</u>	<u>52,330</u>
<b>9.</b>	<b>STAFF COSTS</b>	<b>2023</b>	<b>2022</b>
		£	£
	The aggregate payroll costs for the year were as follows:		
	Wages and salaries	2,766,354	2,592,981
	Social security costs	253,197	249,873
	Other pension costs	<u>355,377</u>	<u>405,537</u>
		3,374,928	3,248,391
	Supply staff costs	47,199	23,069
		<u>3,422,127</u>	<u>3,271,460</u>
	None of the members of the governing body received any remuneration or other benefits from Priory School or from any connected body.		
	Travel expenses reclaimed by members of the governing body £Nil (2022: Nil).		
	Aggregate employee-benefits of key management personnel	<u>658,646</u>	<u>608,300</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**9. STAFF COSTS (CONTINUED)**

	2023	2022
Number of higher paid employees in taxable emoluments bands of:		
£60,001 to £70,000	1	-
£70,001 to £80,000	1	-
£80,001 to £90,000	-	-
£90,001 to £100,000	-	-
£100,001 to £110,000	-	-
£110,001 to £120,000	1	-
£120,001 to £130,000	<u>3</u>	<u>1</u>
The number with retirement benefits accruing - in Defined Benefit schemes was	1	1
of which contributions amounted to	<u>31,568</u>	<u>29,741</u>

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

	2023	2022
Teaching	77	77
Other activities	<u>22</u>	<u>22</u>
	<u>99</u>	<u>99</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**10. TANGIBLE FIXED ASSETS**

	Leasehold Improvements £	Fixtures, Fittings & Equipment £	Total £
<b>Cost</b>			
At 1 September 2022	2,046,280	742,666	2,788,946
Additions	39,585	40,891	80,476
Disposals	-	-	-
<b>At 31 August 2023</b>	<b><u>2,085,865</u></b>	<b><u>783,557</u></b>	<b><u>2,869,422</u></b>
<b>Depreciation</b>			
At 1 September 2022	1,092,295	667,487	1,759,782
Charge for the year	120,016	48,978	168,994
Disposals	-	-	-
<b>At 31 August 2023</b>	<b><u>1,212,311</u></b>	<b><u>716,465</u></b>	<b><u>1,928,776</u></b>
<b>Net book value</b>			
At 31 August 2023	<b><u>873,554</u></b>	<b><u>67,092</u></b>	<b><u>940,646</u></b>
<i>At 31 August 2022</i>	953,985	75,179	1,029,164

**11. DEBTORS**

	2023 £	2022 £
Trade debtors	337,617	166,825
Other debtors	73,855	15,681
Prepayments and accrued income	104,710	63,442
	<b><u>516,182</u></b>	<b><u>245,948</u></b>

An impairment loss of £59,095 (2022: loss of £42,791) was recognised against the School Fees debtors during the year.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**12. CREDITORS: amounts falling due within one year**

	2023	2022
	£	£
Deposits from parents	(157,626)	(140,576)
Deferred income	(221,085)	(230,876)
Trade creditors	(102,496)	(25,838)
Taxes and Social Security Cost	(60,850)	(63,041)
Accruals and other creditors	(81,455)	(104,896)
	<b><u>(623,512)</u></b>	<b><u>(565,227)</u></b>

The Governors have reviewed the contract terms under which Pupil fee deposits are held by the school. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The school does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August 2023 have been included within current liabilities. The prior year Pupil fee deposits balance has been similarly represented.

**13. DEFERRED INCOME**

**Summary of movements in liability**

	£
Balance at 1 September 2022	230,876
Amounts released to incoming resources	(230,876)
Amounts deferred in the year	221,085
<b>Balance at 31 August 2023</b>	<b><u>221,085</u></b>

Deferred income comprises school fees received in advance and trip monies received in advance.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**14. OPERATING LEASES**

The commitments due over the life of the leases, under non-cancellable operating leases are analysed as follows:

	2023	2022
< 1 year	12,932	22,272
2 – 5 years	39,039	34,179
> 5 years	<u>162,000</u>	<u>166,500</u>
Total	<u>213,971</u>	<u>222,951</u>

The operating lease expense charged in the year was £22,272 (2022: £22,272).

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**15. STATEMENT & SUMMARY OF FUNDS**

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Transfers between funds £	Balance at 31 August 2023 £
<b>Unrestricted funds</b>					
General funds	1,452,614	4,802,773	(4,745,494)	-	1,509,893
<b>Total Funds</b>	<b>1,452,614</b>	<b><u>4,802,773</u></b>	<b>(4,745,494)</b>	<b>=</b>	<b>1,509,893</b>

**STATEMENT & SUMMARY OF FUNDS – PRIOR YEAR**

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Transfers between funds £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>					
General funds	1,429,850	4,480,574	(4,457,810)	-	1,452,614
<b>Total Funds</b>	<b><u>1,429,850</u></b>	<b><u>4,480,574</u></b>	<b><u>(4,457,810)</u></b>	<b>=</b>	<b><u>1,452,614</u></b>

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

Fund balances at 31 August 2023 are represented by:	Unrestricted £	Total £
Tangible fixed assets	940,646	<b>940,646</b>
Current assets	1,192,759	<b>1,192,759</b>
Current liabilities	(623,512)	<b>(623,512)</b>
	<b><u>1,509,893</u></b>	<b><u>1,509,893</u></b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR**

Fund balances at 31 August 2022 are represented by:	Unrestricted £	Total £
Tangible fixed assets	1,029,164	1,029,164
Current assets	988,677	988,677
Current liabilities	(565,227)	(565,227)
	<b><u>1,452,614</u></b>	<b><u>1,452,614</u></b>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**17. PENSION SCHEMES**

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £391,155 (2022: £522,777) and at the year-end £22,718 (2022: £28,630) 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 2020 and the Valuation Report was published October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible member can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Given the increase in employer contribution rate and the possibility of further increases in the future, a decision was taken to proceed with Phased Withdrawal from the TPS from 1 September 2022, meaning those teachers joining the school on or after this date would not be eligible to join the TPS, but would instead be eligible to join the AVIVA APTIS defined contribution scheme.

**NOW Pension scheme**

The school participates in the NOW pension scheme for its non-teaching staff.

The pension charge for the year includes contributions payable to the NOW of £34,406 (2022: £28,164) and at the year-end £1,523 (2022: £639) was accrued in respect of contributions to this scheme.

**AVIVA APTIS Pension scheme**

The school participates in the AVIVA APTIS Pension scheme for its teaching staff. All teachers joining on or after 01 September 2022 will automatically be placed onto the APTIS scheme with an employer contribution rate of 17%. The pension charge for the year includes contributions payable to the AVIVA APTIS of £58,200 (2022: nil) and at the year-end £337 (2022: nil) was accrued in respect of contributions to this scheme.

**18. RELATED PARTY TRANSACTIONS**

There were no related party transactions in the year (2022: None).

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**

England & Wales - Charity number 518009

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# Accounts

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**Company No. 2042309**  
**Registered in England and Wales**  
**Charity No. 518009**

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2022**

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**GOVERNORS, OFFICERS AND ADVISERS**  
**YEAR ENDED 31 AUGUST 2022**

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**GOVERNORS, DIRECTORS AND CHARITY TRUSTEES**

The Governors of Priory School Edgbaston Trustees Limited are the School's charity trustees under charity law and they are the directors of the charitable company. Members of the Governing Body (Governing Council) who served in office as Governors during the year and subsequently are detailed below.

		(1)	(2)	(3)
Ms H Somerfield (Chair)		X	X	
Ms D Mattison (Vice Chair)		X	X	
Mr V Naik		X		
Mrs A Cleary		X		
Mr S Brereton	Appointed 8 December 2021		X	
Mrs P Skrybant	Appointed 10 November 2021			
Mr T J P Ryan	Resigned 8 May 2022			
Sister M Matthews	Resigned 13 June 2022		X	
Dr T Wood	Resigned 18 May 2022			

During the year certain activities of the Governing Body were carried out through three committees, being the following

- (1) Finance and General Purposes Committee
- (2) Risk and Compliance Committee (incorporating Health and Safety)
- (3) Governor Nomination and Selection Committee

Membership of Committees is shown above for each Governor.

Post Year - end Appointments to Governing Council

- Rev J O'Brien was appointed 5 October 2022
- Miss Shernice Rai was appointed 5 October 2022

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED  
GOVERNORS, OFFICERS AND ADVISERS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**ADVISORS**

**Officers (currently and throughout the year)**

Mr J Cramb BA Hons, PGCE, MEd

Headmaster

Mr P Murphy LIB

Finance Director and Company Secretary

**Registered Office**

Priory School, 39 Sir Harry's Road, Edgbaston, Birmingham, B15 2UR

**Auditors**

Crowe U.K. LLP, Rounds Green Road, Oldbury, West Midlands, B69 2DG

**Bankers**

Handelsbanken, 55 Calthorpe Road, Edgbaston, Birmingham B15 1TH

and

Barclays Bank, Birmingham Business Centre, 15 Colmore Row, Birmingham, B3 2EP

**Website**

[www.prioryschool.net](http://www.prioryschool.net)

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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The members of the Priory School Governing Body present their Annual Report for the year ended 31 August 2022 under the Charities Act 2011, including the Directors' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year.

**REFERENCE AND ADMINISTRATIVE INFORMATION**

Priory School Edgbaston Trustees Limited is constituted as a company limited by guarantee registered in England, No. 2042309, and is registered with the Charity Commission under Charity No. 518009.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing documents**

The School is governed by its Memorandum of Association and Articles of Association, as altered by special resolutions passed 29<sup>th</sup> May 2002 and 30<sup>th</sup> July 2002.

**Governing Body**

The Governing Council is the Governing Body. Council members are elected at a general meeting and must be proposed by a member qualified to attend and vote at such meetings, in accordance with the Memorandum and Articles of Association. The number of Council members in office should not be more than 16 and not less than 8, as provided in the Memorandum and Articles of Association.

**Recruitment and training of Directors**

New Directors (Members of the Governing Council) are introduced to the workings of the School, including Governing Council policy and procedures, by the Governor Nomination and Selection Committee. Directors also attend specialist external courses from time to time, for example on Safeguarding Training.

**Organisational management**

The Council members meet as a Board at least four times per annum to determine the general policy of the company and to review its overall management and control, for which they are legally responsible.

The Council members delegate day to day management of the School to the Headmaster and his senior management team, comprising the Finance Director, the Facilities Manager and the Deputy Heads and Assistant Heads of the Preparatory and Senior Schools. Together, this group are the key management personnel.

The Council operates a number of Committees with delegated responsibilities in specific areas. These include the Finance and General Purposes Committee, the Risk and Compliance Committee and the Governor Nomination and Selection Committee. The Head and Finance Director attend meetings of the Governing Council's Committees. In addition, certain members of the Council have specific governance responsibilities in key areas such as Early Years, Child Protection, Marketing and Special Educational Needs.

The Finance and General Purposes Committee meets shortly before each meeting of the full Governing Council, specifically to review financial performance, budgets and management accounts. Responsibilities of this Committee also include Marketing, Facilities, Fundraising and Infrastructural Development projects. The Committee makes recommendations to Governing Council on the annual reviews of School Fee tariffs and Staff Salary scales.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Employment policy**

Delivery of the School's charitable vision and purpose is primarily dependent on its key management personnel, and staff costs are the largest single element of charitable expenditure.

Remuneration policy is set by the Headmaster and Finance Director, subject to board (Council) approval, with the objective of providing appropriate incentives to encourage optimal performance and of rewarding individual contributions to the School's success fairly and responsibly.

The appropriateness and relevance of remuneration policy is reviewed annually. While reviews include reference to conditions in the education sector generally, the School is free to set its pay scales independently. Here the objective is to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere, while adapting to local budgetary conditions

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due attention is given to their training and employment needs.

Communication with employees continues through normal management channels, in particular through the Daily Bulletin in which staff are apprised of current issues and of key decisions affecting the school. Whole staff meetings, which are held termly, include briefings from the Headmaster, Finance Director, and other members of the senior management team.

**Key Relationships**

The School is a member of ISA (Independent Schools Association), AGBIS (Association of Governing Bodies of Independent Schools), and ISBA (Independent Schools Bursars' Association).

Locally, the School is a member of the Birmingham Catholic Schools Partnership.

In recognition of its heritage, the School maintains links with the Society of the Holy Child Jesus and with sister schools in Ireland, Europe and North America.

We cooperate with a number of local organisations in our ongoing endeavours to widen public access to the schooling that we can provide, to optimise the use of our cultural and sporting facilities and to develop in our pupils an awareness of the social context of the education that they receive at the School. We are also involved in the Erasmus "Big Outdoors" project for Early Years children with schools in Sweden, Germany, Iceland and Austria.

The School also benefits from the generosity of its parents' association, the Friends of Priory School, whose close support we greatly appreciate and gladly acknowledge.

**OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

The company is established to advance education by running a School in the United Kingdom as a registered charity for the education of children of both sexes and all denominations.

The company's principal activity remains the provision of independent education for children from Early Years to Sixth Form.

**Strategic Aim**

Priory School is a Catholic Heritage school which welcomes pupils of all faiths and abilities and is committed to delivering success for every child in its care, complementing academic life with performing arts, sports, and other extra-curricular activities designed to develop self-confident and well-rounded individuals.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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Our aim is encapsulated in the following extract from our Mission Statement:

*'In partnership with parents or guardians, we provide a caring community with high standards of teaching and learning, enabling all pupils to achieve success.'*

During the year, the Governing Council has been working with management to consider how we can best ensure that the School has the broadest possible appeal to our increasingly diverse pupil and parent population while continuing to respect its traditional Catholic values. To this end, a new Mission Statement will be adopted in the year commencing in September 2022.

### **Principal activity**

The company's principal activity remains the provision of independent education for children from nursery to sixth form.

### **Serving the public benefit**

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. In particular, the School has continued to support the widening of access to our school by pupils from lower income families through the provision of Scholarships and Supported Places. However, as the School has no endowment fund, we have had to maintain a careful balance between fee paying parents and those benefiting from the awards, in order to ensure our ongoing financial viability and to support further development of the School

The Scholarship scheme offers access to our School for bright pupils who excel academically or in areas such as sport, art, music or drama. During the 2021/2022 academic year we have again complemented the Scholarship scheme with Supported Place awards, which have been means-tested and which have further supplemented the Scholarship award in appropriate cases.

The Council views our Scholarship and Supported Place awards as essential in helping to ensure that children from families who would otherwise not be able to afford the fees can access the education that we offer. Additionally, awards of Bursaries are made on the basis of parental means or to relieve financial hardship where an existing pupil's place might otherwise be at risk. To underline the value that we place on continuity for families, we continue to offer sibling discounts where parents have more than one child at the School.

This year, special full scholarship awards were made to two Ukrainian children, as part of the School's response to the crisis in their native country.

The Trustees achieve the wider public benefit aim by providing use of the school's facilities for a range of community events and activities, including car parking for major sporting events at Edgbaston Priory Club (tennis tournaments) and at Edgbaston Stadium (cricket test matches).

Other beneficiaries of this policy this year included

- National Youth Recorder Orchestra
- Football: a local football club has occasional use of our football pitch at the weekends
- Short Tennis: coached in our sports hall under the auspices of Edgbaston Priory Club.
- Birmingham Reggae Choir.

The School continues to play an active part in seeking to extend its charitable activities to the general public and is willing to assist and support in areas of need. We encourage our pupils to be good team players who are able to think independently and lead when required and we seek to foster a strong sense of the pupils' place in their local community and wider society.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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We play a key role in the Catholic Partnership, which consists mainly of state schools, by hosting sports events and by opening our acclaimed Forest School to Partnership pupils. Our pupils also serve the community by entertaining residents of Sunrise Senior Living Care Home in Edgbaston and residents of the Little Sisters of the Poor Care Home in Harborne with singing and music. Our pupils also serve the community by suggesting charities to support and by actively engaging in fund raising activities in support of worthy causes, including

- o CAFOD
- o MacMillan Cancer Support
- o British Heart Foundation
- o Little Sisters of the Poor
- o Children in Need
- o SIFA Fireside Homeless Charity
- o Operation Christmas Child Shoebox Appeal

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**STRATEGIC REPORT**

**FINANCIAL REVIEW**

**Results for the year**

This year, the School reports a **surplus of £23k**, an improvement of £240k on the previous year's result (deficit £217k).

The return to surplus, after two years of deficits, occasioned largely by the Coronavirus pandemic, is a welcome development. This has been achieved through the dedicated efforts of the entire Priory team, which have been directed towards cost savings and strategic management of key resources, while maintaining optimal quality of education for pupils.

The teaching staff, who deliver the educational product, are often rightly cited as our greatest asset. Inevitably, their remuneration accounts for over seventy per cent of the School's costs, which is in line with sector norms. Our loyal colleagues have shown great commitment and understanding in accepting the limited ability to increase salaries over the last two years. During this time, the usual teacher pay scale arrangements have been suspended. The Governing Council has committed to keeping overall remuneration under review with a view to further improvement when finances permit.

As reported last year, one of the principal issues arising from the pandemic was a significant drop in pupil numbers due to parental circumstances, with the consequent loss of school fee revenue. It has been a prime goal of School management to restore pupil numbers. At the date of writing, this aim has been partly achieved and numbers have risen in the new academic year from September 2022.

**Reserves Level and Policy and Financial Viability**

The school's total reserves were £1,452,614 at the year - end. £1,029,164 of this represented the net book value of fixed assets, leaving free reserves of £423,450 (2021 £282,747). There were no restricted funds.

The Council's continuing policy is to seek to have free reserves at a level sufficient to enable the School to withstand consequential pupil losses of up to 10%. The target level of free resources on this basis is approximately £505k. There is, therefore, a shortfall of £82k against the desired reserve level as a consequence of the financial outcomes mentioned above. This compares favourably, however, with the prior year £222k shortfall

The Council has reviewed financial projections for the future. These projections reflect the School's aim to continue the growth in pupil numbers throughout the school and to increase net income through modest annual increases in school fee tariffs while continuing the policy of providing judiciously for scholarships, supported places and bursaries. Combined with continued attention to credit control and costs, achievement of this strategic objective should deliver growing surpluses in the years ahead, while free reserves should reach the desired level in 2022 – 2023.

On this basis, production of these accounts on a going concern basis is considered appropriate.

The Governing Council is aware of the wider general threats to the independent education sector in a high inflation economy combined with the potential for major changes in taxation policy at some future date. There is little that can be done to forestall adverse changes in public policy, other than to keep informed and to rely on the combined lobbying efforts of our representative bodies.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**PRINCIPAL RISKS AND UNCERTAINTIES**

The Council continues to keep under review the School's activities, the risks that may arise from them and the internal controls, systems and procedures established to manage them.

Detailed consideration of risk is delegated to the Risk and Compliance Committee, which meets three times a year and reports formally to the Governing Body. The structure of the Committee comprises two members of the Governing Council, assisted by Senior Management.

The risk management process adopted by the Risk and Compliance Committee identifies major risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high. Mitigation measures include ensuring that appropriate insurance cover is in place to cover any insurable risks identified.

The key risks and actions to mitigate those areas are as follows:

Risk identified	Mitigation
Damage to reputation from fraud, accident, unsatisfactory inspection reports or adverse media coverage	<p>Careful financial management by Governing Council, supported by a Finance and General Purposes Committee and by the Finance Director;</p> <p>A Risk and Compliance Committee of the Board with specific delegated responsibility for Health &amp; Safety meets three times a year and reviews policy, practice, and any incidents requiring Board level attention.</p> <p>Continuous programme of campus security improvements in place</p> <p>All external and parent communications channelled through senior management for immediate attention;</p> <p>Detailed risk register maintained by the Facilities Manager</p>
Reduction in pupil numbers	<p>Heavy emphasis on and continuing investment in marketing;</p> <p>Close involvement of senior management in pupil recruitment process;</p> <p>Increased focus on improving the academic achievement of pupils</p>
Change in Charitable Status and/or imposition of VAT on School Fees	<p>Limited, as changes would apply to the entire independent education sector</p> <p>Change may be gradual rather than immediate</p>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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*Other risk aspects:*

The Trustees consider the affordability of fees by parents across the independent sector to be the principal financial risk faced by the School, especially as local competition from other independent schools remains intense. In recognition of these factors, the Governing Council decided to increase school fee tariffs by a lower than inflation level of 3.00% (following a zero increase in 2020/21)

Health and Safety is always a significant area for risk management. The risks generally range from fire and infrastructure to personal risks (most notably when pupils or teachers are away from the campus on trips and expeditions). The level and breadth of activity at the School is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment. Particular attention is given to government advice and guidelines on public health issues. This measure served the School well during the pandemic, and continues to help keep health related absences under control.

### **FUTURE PLANS**

2022/2023 will be another challenging year for Priory School, in which we shall seek to build on the financial recovery now underway

Plans include:

- Continuing to build up pupil numbers throughout the school by use of intensive marketing initiatives
- Optimising the use of all available classroom space
- Securing a high cohort value for pupils at the main entry points (principally at Year 7)
- Continuing to manage our estate in a cost - effective way, with limited capital expenditure
- Using the School grounds where possible for development of the outdoor curriculum;
- Investing in our IT platform and widening pupil access to IT learning facilities;

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

The trustees (who are also the directors of Priory School for the purposes of company law) are responsible for preparing the Annual Report and the financial statements with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources for that period. In preparing these financial statements, the Governing Body members are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the charity's constitution. 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.

**Relevant Audit Information**

Insofar as each of the Directors is aware, as members of the Governing Body, at the date of approval of this report, there is no relevant audit information of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Governing Council of Priory School Edgbaston including, in their capacity as company directors, approving the Directors' and Strategic Reports contained herein, and signed on its behalf by:

**H Somerfield**  
Chair of Governing Council  
Date:

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Opinion**

We have audited the financial statements of Priory School Edgbaston Trustees Limited for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance or 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.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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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 our audit:

- The information given in the trustees' report, including the strategic 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 strategic report and the directors' report included within the trustees' report have 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 Trustees' Report including the 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; 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 trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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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.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance & General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kerry Brown (Senior statutory auditor)

For and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date:

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted Funds £	<b>2022 Total £</b>	<i>2021 Total £</i>
<b>Income from:</b>				
<b>Charitable activities</b>				
School fees receivable	2	4,247,862	<b>4,247,862</b>	4,207,764
Ancillary trading income	3	221,891	<b>221,891</b>	165,509
<b>Other trading activities</b>	4	10,807	<b>10,807</b>	9,973
<b>Investments</b>	5	14	<b>14</b>	19
<b>Other income</b>	6	=	=	<u>20,311</u>
<b>Total incoming resources</b>		<u>4,480,574</u>	<b><u>4,480,574</u></b>	<u>4,403,576</u>
<b>Expenditure on:</b>				
<b>Raising funds</b>				
Financing costs	7	52,330	<b>52,330</b>	(8,340)
<b>Charitable activities</b>				
Education	7	4,405,480	<b>4,405,480</b>	4,629,362
<b>Total expenditure</b>		<u>4,457,810</u>	<b><u>4,457,810</u></b>	<u>4,621,022</u>
<b>Net incoming funds from operations before transfers</b>		<u>22,764</u>	<b><u>22,764</u></b>	<u>(217,446)</u>
Net movement in funds for the year		<u>22,764</u>	<b><u>22,764</u></b>	<u>(217,446)</u>
Fund balances at 1 September 2021		<u>1,429,850</u>	<b><u>1,429,850</u></b>	<u>1,647,296</u>
<b>Fund balances at 31 August 2022</b>		<u>1,452,614</u>	<b><u>1,452,614</u></b>	<u>1,429,850</u>

The notes on pages 19 to 31 form part of these financial statements

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**BALANCE SHEET**  
**AS AT 31 AUGUST 2022**

	Note	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible assets	10	<b><u>1,029,164</u></b>	<u>1,147,103</u>
<b>CURRENT ASSETS</b>			
Debtors	11	<b>245,948</b>	344,109
Cash and deposits		<b><u>742,729</u></b>	<u>744,179</u>
		<b>988,677</b>	1,088,288
<b>CURRENT LIABILITIES</b>			
Creditors payable within one year	12	<b><u>(565,227)</u></b>	<u>(805,541)</u>
<b>NET CURRENT ASSETS</b>		<b><u>423,450</u></b>	<u>282,747</u>
<b>NET ASSETS</b>		<b><u>1,452,614</u></b>	<u>1,429,850</u>
<b>REPRESENTED BY:</b>			
<b>UNRESTRICTED FUNDS</b>			
General Reserve	15	<b><u>1,452,614</u></b>	<u>1,429,850</u>

These financial statements were approved by the Governing Body and signed on its behalf by:

**H Somerfield**  
 (Chair)  
 Date:

The notes on pages 19 to 31 form part of these financial statements

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**CASH FLOW STATEMENT**  
**AS AT 31 AUGUST 2022**

	<b>2022</b>		<b>2021</b>	
	£	£	£	£
<b>Net cash outflow from operations</b>				
Net cash provided by operating activities (i)		<b><u>102,313</u></b>		<u>326,517</u>
<b>Cash flows from investing activities:</b>				
Payments for tangible fixed assets	(51,447)		(11,467)	
Investment income and bank interest received	<u>14</u>		<u>19</u>	
<b>Net cash used in by investing activities</b>		<b><u>(51,433)</u></b>		<u>(11,448)</u>
<b>Cash flows from financing activities:</b>				
Finance costs paid	52,330		(8,340)	
<b>Net cash provided by financing activities</b>		<b><u>52,330</u></b>		<u>(8,340)</u>
Change in cash and cash equivalents in the period		<b><u>(1,450)</u></b>		323,409
Cash and cash equivalents at the beginning of the period		<b><u>744,179</u></b>		420,770
Cash and cash equivalents at the end of the period		<b><u>742,729</u></b>		<u>744,179</u>

The notes on pages 19 to 31 form part of these financial statements



**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE CASH FLOW STATEMENT**  
**AS AT 31 AUGUST 2022**

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**(i) Reconciliation of net income to net cash flow from operating activities**

	2022 £	2021 £
Net incoming resources	22,764	(217,446)
Elimination of non-operating cash flows:		
- Investment income	(14)	(19)
- Finance costs	52,330	(8,340)
Depreciation charge	169,386	224,884
Decrease/(Increase) in debtors	98,161	122,166
Increase/(Decrease) in creditors (excluding fees in advance and deposit)	(55,634)	76,641
Increase/(Decrease) in fees in advance scheme creditors	(194,920)	136,681
(Decrease) in parents' deposits	10,240	(8,050)
<b>Net cash inflow/(outflow) from operations</b>	<b><u>102,313</u></b>	<b><u>326,517</u></b>

**(ii) Analysis of cash and cash equivalents**

Cash at bank	<u>742,729</u>	<u>744,179</u>
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**(iii) Analysis of changes in net debt**

	At 1 September 2021 £	Cash flows £	Other non-cash changes £	At 31 August 2022 £
Cash at bank and in hand	<u>744,179</u>	<u>(1)</u>	<u>-</u>	<u>742</u>

The notes on pages 19 to 31 form part of these financial statements

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. ACCOUNTING POLICIES**

**1.1 Basis**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities

preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The functional currency of the School is considered to be sterling because that is the currency of the primary economic environment in which the School operates.

The Trustees have a reasonable expectation that Priory School Edgbaston Trustees Limited has adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties about the School's ability to continue and therefore the Trustees adopt the going concern basis of accounting in preparing the financial statements.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 30 July 1986 (company number: 2042309) and registered as a charity on 6 October 1986 (charity number: 518009). The registered office and principal place of business is 39 Sir Harry's Road, Edgbaston, Birmingham, B15 2UR.

**1.2 Critical accounting judgements and key sources of estimation uncertainty**

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

**1.3 Fees and similar earned income**

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Fees received in advance of education to be provided in future years are treated as deferred income and included within creditors.

**1.4 Donations, legacies, grants and other voluntary incoming resources**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**ACCOUNTING POLICIES (continued)**

**1.5 Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

**1.6 Tangible fixed assets**

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value, evenly over its expected useful life, as follows:

- Fixtures, fittings and equipment                      3 to 10 years
- Leasehold improvements                                      5 to 20 years

Depreciation is provided in full in the year of acquisition.

Expenditure of a capital nature below £500 are not capitalised.

**1.7 Debtors**

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

**1.8 Creditors and provisions**

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

**1.9 Fund accounting**

The charitable trust funds of the School are accounted for as unrestricted or restricted income

**Unrestricted** income belongs to the Schools' corporate reserves, spendable at the discretion of the Trustees either to further the School's Objects or to benefit the School itself. Where the Trustees decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

**Restricted** income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**ACCOUNTING POLICIES (continued)**

**1.10 Pension costs**

Retirement benefits to employees of the School who are teachers are provided through a defined benefit scheme. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the Schools' share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The Schools' contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

**1.11 Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**1.12 Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

**1.13 Cash at Bank and in hand**

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

**2. CHARITABLE ACTIVITIES – FEES RECEIVABLE**

	2022	2021
	£	£
<b>Fees receivable consist of:</b>		
School fees	5,050,606	5,027,130
Less: total scholarships and bursaries	<u>(802,744)</u>	<u>(819,366)</u>
	<b><u>4,247,862</u></b>	<b><u>4,207,764</u></b>

Scholarships, bursaries and other awards were paid to 210 pupils (2021: 209). Within this means-tested bursaries totalling £166,322 were paid to 60 pupils (2021: £212,284 to 66 pupils).

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**3. CHARITABLE ACTIVITIES – OTHER INCOME**

	<b>2022</b>	<i>2021</i>
	<b>£</b>	<i>£</i>
Extras	<b>169,193</b>	<i>125,050</i>
Entrance and registration fees	<b>47,851</b>	<i>36,653</i>
Commissions and other income	<b><u>4,847</u></b>	<i><u>3,806</u></i>
	<b><u>221,891</u></b>	<i><u>165,509</u></i>

**4. OTHER TRADING ACTIVITIES**

	<b>2022</b>	<i>2021</i>
	<b>£</b>	<i>£</i>
<b>Other activities</b>		
Lettings	<b>3,500</b>	<i>3,500</i>
Other	<b><u>7,307</u></b>	<i><u>6,473</u></i>
	<b><u>10,807</u></b>	<i><u>9,973</u></i>

**5. INVESTMENTS**

	<b>Total 2022</b>	<i>Total 2021</i>
	<b>£</b>	<i>£</i>
Bank interest	<b><u>14</u></b>	<i><u>19</u></i>

**6. OTHER INCOME**

	<b>Total 2022</b>	<i>Total 2021</i>
	<b>£</b>	<i>£</i>
Government grant	<b><u>-</u></b>	<i><u>20,311</u></i>

The government grant received during the prior year related to the Coronavirus Job Retention Scheme.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**7. ANALYSIS OF EXPENDITURE**

**(a) Total expenditure**

	Staff costs	Depreciation	Other	Total	Total
	(note 9)	(note 10)		2022	2021
	£	£	£	£	£
<b>Costs of generating funds</b>					
Financing costs (note 8)	-	-	52,330	<b>52,330</b>	(8,340)
<b>Total costs of generating funds</b>	<b>-</b>	<b>-</b>	<b>52,330</b>	<b>52,330</b>	<b>(8,340)</b>
<b>Charitable expenditure</b>					
<i>Education</i>					
Teaching	2,706,210	-	158,077	<b>2,864,287</b>	3,013,021
Welfare	-	-	227,294	<b>227,294</b>	324,455
Premises	279,560	169,386	282,733	<b>731,679</b>	809,394
Support costs and governance	285,690	-	296,530	<b>582,220</b>	482,492
<b>Total charitable expenditure</b>	<u>3,271,460</u>	<u>169,386</u>	<u>964,634</u>	<b>4,405,480</b>	<u>4,629,362</u>
	0				
<b>Total expended</b>	<b>3,271,460</b>	<b>169,386</b>	<b>1,016,964</b>	<b>4,457,810</b>	<b>4,629,362</b>
<b>Total expenditure comparative</b>					
	Staff costs	Depreciation	Other	Total	Total
	(note 9)	(note 10)		2021	2020
	£	£	£	£	£
<b>Costs of generating funds</b>					
Financing costs (note 8)	-	-	(8,340)	(8,340)	164,705
<b>Total costs of generating funds</b>	<b>-</b>	<b>-</b>	<b>(8,340)</b>	<b>(8,340)</b>	<b>164,705</b>
<b>Charitable expenditure</b>					
<i>Education</i>					
Teaching	2,864,561	-	148,460	3,013,021	2,961,554
Welfare	-	-	324,455	324,455	219,764
Premises	317,649	224,884	266,861	809,394	914,987
Support costs and governance	301,968	-	180,524	482,492	298,955
<b>Total charitable expenditure</b>	<u>3,484,178</u>	<u>224,884</u>	<u>920,300</u>	<b>4,629,362</b>	<u>4,395,260</u>
<b>Total expended</b>	<b>3,484,178</b>	<b>224,884</b>	<b>911,960</b>	<b>4,621,552</b>	<b>4,629,975</b>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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<b>7.</b>	<b>ANALYSIS OF EXPENDITURE (CONTINUED)</b>	<b>2022</b>	<b>2021</b>
	<b>(b) Governance included in support costs:</b>		
		<b>£</b>	<b>£</b>
	Remuneration paid to auditor for audit services	<b>11,500</b>	11,490
	Other governance costs	<b><u>56,758</u></b>	<u>57,217</u>
		<b><u>68,258</u></b>	<u>68,707</u>
<b>8.</b>	<b>FINANCE AND OTHER COSTS</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Bank charges	<b>9,539</b>	9,434
	Bad and doubtful debts	<b><u>42,791</u></b>	<u>(17,774)</u>
		<b><u>52,330</u></b>	<u>(8,340)</u>
<b>9.</b>	<b>STAFF COSTS</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	The aggregate payroll costs for the year were as follows:		
	Wages and salaries	<b>2,592,981</b>	2,772,528
	Social security costs	<b>249,873</b>	259,195
	Other pension costs	<b><u>405,537</u></b>	<u>428,063</u>
		<b>3,248,391</b>	3,459,786
	Supply staff costs	<b>23,069</b>	24,392
		<b><u>3,271,460</u></b>	<u>3,484,178</u>
	None of the members of the governing body received any remuneration or other benefits from Priory School or from any connected body.		
	Travel expenses reclaimed by members of the governing body – Nil (2021: Nil).		
	Aggregate employee-benefits of key management personnel	<b><u>608,300</u></b>	<u>647,217</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**9. STAFF COSTS (CONTINUED)**

	<b>2022</b>	<i>2021</i>
Number of higher paid employees in taxable emoluments bands of: £120,001 to £130,000	<u><b>1</b></u>	<u><i>1</i></u>
The number with retirement benefits accruing - in Defined Benefit schemes was	<b>1</b>	<i>1</i>
of which contributions amounted to	<u><b>29,741</b></u>	<u><i>£29,941</i></u>

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

	<b>2022</b>	<i>2021</i>
Teaching	<b>77</b>	<i>83</i>
Other activities	<u><b>22</b></u>	<u><i>24</i></u>
	<u><b>99</b></u>	<u><i>107</i></u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**10. TANGIBLE FIXED ASSETS**

	Leasehold Improvements £	Fixtures, Fittings & Equipment £	Total £
<b>Cost</b>			
At 1 September 2021		699,573	<b>2,737,499</b>
Additions	8,354	43,093	<b>51,447</b>
Disposals		-	-
<b>At 31 August 2022</b>			<b><u>2,788,946</u></b>
<b>Depreciation</b>			
At 1 September 2021		618,288	<b>1,590,396</b>
Charge for the year	120,187	49,199	<b>169,386</b>
Disposals		-	-
<b>At 31 August 2022</b>		<b><u>667,487</u></b>	<b><u>1,759,782</u></b>
<b>Net book value</b>			
At 31 August 2022	<b><u>953</u></b>	<b><u>75,179</u></b>	
<i>At 31 August 2021</i>		<b><u>81,285</u></b>	<b><u>1,147,103</u></b>

**11. DEBTORS**

	<b>2022</b> £	2021 £
Trade debtors	<b>166,825</b>	225,912
Other debtors	<b>15,681</b>	16,967
Prepayments and accrued income	<b>63,442</b>	101,230
	<b><u>245,948</u></b>	<b><u>344,109</u></b>

An impairment loss of £42,791 (2021: gain of £17,774) was recognised against the School Fees debtors during the year.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**12. CREDITORS: amounts falling due within one year**

	2022	2021
	£	£
Deposits from parents	(140,576)	(130)
Deferred income	(230,876)	(425)
Trade creditors	(25,838)	(86)
Taxes and Social Security Cost	(63,041)	(62)
Accruals and other creditors	(104,896)	(100)
	<b><u>(565,227)</u></b>	<b><u>(805)</u></b>

The Governors have reviewed the contract terms under which Pupil fee deposits are held by the school. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The school does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August 2022 have been included within current liabilities. The prior year Pupil fee deposits balance has been similarly represented.

**13. DEFERRED INCOME**

<b>Summary of movements in liability</b>	£
Balance at 1 September 2021	425,796
Amounts released to incoming resources	(425,796)
Amounts deferred in the year	230,876
<b>Balance at 31 August 2022</b>	<b><u>230,876</u></b>

Deferred income comprises school fees received in advance and trip monies received in advance.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**14. OPERATING LEASES**

The commitments due over the life of the leases, under non-cancellable operating leases are analysed as follows:

	<b>2022</b>	<i>2021</i>
< 1 year	<b>22,272</b>	<i>17,872</i>
2 – 5 years	<b>34,179</b>	<i>38,468</i>
> 5 years	<b><u>166,500</u></b>	<i><u>171,000</u></i>
Total	<b><u>222,951</u></b>	<i><u>227,340</u></i>

The operating lease expense charged in the year was £22,272 (2021: £18,185).

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**15. STATEMENT OF FUNDS**

	Balance at 1 September 2021	Incoming resources	Resources expended	Transfers between funds	Balance at 31 August 2022
	£	£	£	£	£
<b>Unrestricted funds</b>					
General funds	1,429,850	4,480,574	4,457,810	-	1,452,614
<b>Total Funds</b>	<u>1,429,850</u>	<u>4,480,574</u>	<u>4,457,810</u>	-	<u>1,452,614</u>

STATEMENT OF FUNDS – PRIOR YEAR

	Balance at 1 September 2020	Incoming resources	Resources expended	Transfers between funds	Balance at 31 August 2021
	£	£	£	£	£
Unrestricted funds					
General funds	1,647,296	4,403,576	(4,621,022)	-	1,429,850
<b>Total Funds</b>	<u>1,647,296</u>	<u>4,403,576</u>	<u>(4,621,022)</u>	-	<u>1,429,850</u>

**SUMMARY OF FUNDS**

	At 1 September 2021	Incoming resources	Resources expended	Transfers	At 31 August 2022
	£	£	£		£
Unrestricted funds	<u>1,429,850</u>	<u>4,480,574</u>	<u>4,457,810</u>		<u>1,452,614</u>
<b>Total Funds</b>	<u>1,429,850</u>	<u>4,480,574</u>	<u>4,457,810</u>		<u>1,452,614</u>

SUMMARY OF FUNDS – PRIOR YEAR

	At 1 September 2020	Incoming resources	Resources expended	Transfers	At 31 August 2021
	£	£	£		£
Unrestricted funds	<u>1,647,296</u>	-	(217,446)		<u>1,429,850</u>
<b>Total Funds</b>	<u>1,647,296</u>	-	(217,446)		<u>1,429,850</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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

	<b>Unrestricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Fund balances at 31 August 2022 are represented by:		
Tangible fixed assets	1,029,164	<b>1,029,164</b>
Current assets	988,677	<b>988,677</b>
Current liabilities	(565,227)	<b>(565,227)</b>
	<u>1,452,614</u>	<u><b>1,452,614</b></u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR**

	<b>Unrestricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Fund balances at 31 August 2021 are represented by:		
Tangible fixed assets	1,147,103	1,147,103
Current assets	1,088,288	1,088,288
Current liabilities	(805,541)	(805,541)
	<u>1,429,850</u>	<u>1,429,850</u>

**17. PENSION SCHEMES**

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £522,777 (2021: £428,063) and at the year-end £28,630 (2021: £33,751) 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.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**17. PENSION SCHEMES (CONTINUED)**

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

**NOW Pension scheme**

The school participates in the NOW pension scheme for its non-teaching staff.

The pension charge for the year includes contributions payable to the NOW of £28,164 (2021: £29,830) and at the year-end £639 (2021: £1,300) was accrued in respect of contributions to this scheme.

**18. RELATED PARTY TRANSACTIONS**

There were no related party transactions in the year.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**

England & Wales - Charity number 518009

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# Accounts

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**Company No. 2042309**  
**Registered in England and Wales**  
**Charity No. 518009**

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**GOVERNORS, OFFICERS AND ADVISERS**  
**YEAR ENDED 31 AUGUST 2021**

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**GOVERNORS, DIRECTORS AND CHARITY TRUSTEES**

The Governors of Priory School Edgbaston Trustees Limited are the School's charity trustees under charity law and they are the directors of the charitable company. Members of the Governing Body (Governing Council) who served in office as Governors during the year and subsequently are detailed below.

		(1)	(2)	(3)
Ms H Somerfield (Chair)		X	X	
Ms D Mattison (Vice Chair)		X		
Mr M Hunt	Resigned 21 May 2021	X		
Mr V Naik		X		
Mr S M Q Gilmore	Resigned 21 May 2021			X
Mr T J P Ryan				X
Sister M Matthews			X	
Dr T Wood				
Mrs A Cleary		X		

During the year certain activities of the Governing Body were carried out through three committees, being the following

- (1) Finance and General Purposes Committee
- (2) Risk and Compliance Committee (incorporating Health and Safety)
- (3) Governor Nomination and Selection Committee

Membership of Committees is shown above for each Governor.

Post Year- end Appointments to Governing Council

- Mrs P Skrybant was appointed 6 October 2021
- Mr S Brereton was appointed 8 December 2021

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED  
GOVERNORS, OFFICERS AND ADVISERS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**ADVISORS**

**OFFICERS (currently and throughout the year)**

Mr J Cramb BA Hons, PGCE, MEd

Headmaster

Mr P Murphy LIB

Finance Director and Company Secretary

**Registered Office**

Priory School, 39 Sir Harry's Road, Edgbaston, Birmingham, B15 2UR

**Auditors**

Crowe U.K. LLP, Rounds Green Road, Oldbury, West Midlands, B69 2DG

**Bankers**

Handelsbanken, 55 Calthorpe Road, Edgbaston, Birmingham B15 1TH

and

Barclays Bank, Birmingham Business Centre, 15 Colmore Row, Birmingham, B3 2EP

**Website**

[www.prioryschool.net](http://www.prioryschool.net)

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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The members of the Priory School Governing Body present their Annual Report for the year ended 31 August 2021 under the Charities Act 2011, including the Directors' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year.

**REFERENCE AND ADMINISTRATIVE INFORMATION**

Priory School Edgbaston Trustees Limited is constituted as a company limited by guarantee registered in England, No. 2042309, and is registered with the Charity Commission under Charity No. 518009.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing documents**

The School is governed by its Memorandum of Association and Articles of Association, as altered by special resolutions passed 29<sup>th</sup> May 2002 and 30<sup>th</sup> July 2002.

**Governing Body**

The Governing Council is the Governing Body. Council members are elected at a general meeting and must be proposed by a member qualified to attend and vote at such meetings, in accordance with the Memorandum and Articles of Association. The number of Council members in office should not be more than 16 and not less than 8, as provided in the Memorandum and Articles of Association.

**Recruitment and training of Directors**

New Directors (Members of the Governing Council) are introduced to the workings of the School, including Governing Council policy and procedures, by the Governor Nomination and Selection Committee. Directors also attend specialist external courses from time to time, for example on Safeguarding Training.

**Organisational management**

The Council members meet as a Board at least four times per annum to determine the general policy of the company and to review its overall management and control, for which they are legally responsible.

The Council members delegate day to day management of the School to the Headmaster and his senior management team, comprising the Finance Director, the Facilities Manager and the Deputy Heads and Assistant Heads of the Preparatory and Senior Schools. Together, this group are the key management personnel.

The Council operates a number of Committees with delegated responsibilities in specific areas. These include the Finance and General Purposes Committee, the Risk and Compliance Committee and the Governor Nomination and Selection Committee. The Head and Finance Director attend meetings of the Governing Council's Committees. In addition, certain members of the Council have specific governance responsibilities in key areas such as Early Years, Child Protection, Marketing and Special Educational Needs.

The Finance and General Purposes Committee meets shortly before each meeting of the full Governing Council, specifically to review financial performance, budgets and management accounts. Responsibilities of this Committee also include Marketing, Facilities, Fundraising and Infrastructural Development projects. The Committee makes recommendations to Governing Council on the annual reviews of School Fee tariffs and Staff Salary scales.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Employment policy**

Delivery of the School's charitable vision and purpose is primarily dependent on its key management personnel, and staff costs are the largest single element of charitable expenditure.

Remuneration policy is set by the Headmaster and Finance Director, subject to board (Council) approval, with the objective of providing appropriate incentives to encourage optimal performance and of rewarding individual contributions to the School's success fairly and responsibly.

The appropriateness and relevance of remuneration policy is reviewed annually. While reviews include reference to conditions in the education sector generally, the School is free to set its pay scales independently. Here the objective is to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere, while adapting to local budgetary conditions

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due attention is given to their training and employment needs.

Communication with employees continues through normal management channels, in particular through the Daily Bulletin in which staff are apprised of current issues and of key decisions affecting the school. Whole staff meetings, which are held termly, include briefings from the Headmaster, Finance Director, and other members of the senior management team.

**Key Relationships**

The School is a member of ISA (Independent Schools Association), AGBIS (Association of Governing Bodies of Independent Schools), and ISBA (Independent Schools Bursars' Association).

Locally, the School is a member of the Birmingham Catholic Schools Partnership.

In recognition of its heritage, the School maintains links with the Society of the Holy Child Jesus and with sister schools in Ireland, Europe and North America.

We cooperate with a number of local organisations in our ongoing endeavours to widen public access to the schooling that we can provide, to optimise the use of our cultural and sporting facilities and to develop in our pupils an awareness of the social context of the education that they receive at the School. We are also involved in the Erasmus "Big Outdoors" project for Early Years children with schools in Sweden, Germany, Iceland and Austria.

The School also benefits from the generosity of its parents' association, the Friends of Priory School, whose close support we greatly appreciate and gladly acknowledge.

**OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

The company is established to advance education by running a School in the United Kingdom as a registered charity for the education of children of both sexes and all denominations.

The company's principal activity remains the provision of independent education for children from Early Years to Sixth Form.

**Strategic Aim**

Priory School is a Catholic school which welcomes pupils of all faiths and abilities and is committed to delivering success for every child in its care, complementing academic life with performing arts, sports, and other extra-curricular activities designed to develop self-confident and well-rounded individuals.

Our aim is encapsulated in the following extract from our Mission Statement:

*'In partnership with parents or guardians, we provide a caring community with high standards of teaching and learning, enabling all pupils to achieve success.'*

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Principal activity**

The company's principal activity remains the provision of independent education for children from nursery to sixth form.

**Serving the public benefit**

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. In particular, the School has continued to support the widening of access to our school by pupils from lower income families through the provision of Scholarships and Supported Places. However, as the School has no endowment fund, we have had to maintain a careful balance between fee paying parents and those benefiting from the awards, in order to ensure our ongoing financial viability and to support further development of the School

The Scholarship scheme offers access to our School for bright pupils who excel academically or in areas such as sport, art, music or drama. During the 2020/2021 academic year we have again complemented the Scholarship scheme with Supported Place awards, which have been means-tested and which have further supplemented the Scholarship award in appropriate cases.

The Council views our Scholarship and Supported Places awards as essential in helping to ensure that children from families who would otherwise not be able to afford the fees can access the education that we offer. Additionally, awards of Bursaries are made on the basis of parental means or to relieve financial hardship where an existing pupil's place might otherwise be at risk. To underline the value that we place on continuity for families, we continue to offer sibling discounts where parents have more than one child at the School.

The Trustees achieve the wider public benefit aim by providing use of the school's facilities for a range of community events and activities, including car parking for major sporting events at Edgbaston Priory Club (tennis tournaments) and at Edgbaston Stadium (cricket test matches).

Other beneficiaries of this policy this year included

- National Youth Recorder Orchestra
- Football: a local football club has occasional use of our football pitch at the weekends
- Short Tennis: coached in our sports hall under the auspices of Edgbaston Priory Club.

The School continues to play an active part in seeking to extend its charitable activities to the general public and is willing to assist and support in areas of need. We encourage our pupils to be good team players who are able to think independently and lead when required and we seek to foster a strong sense of the pupils' place in their local community and wider society.

We play a key role in the Catholic Partnership, which consists mainly of state schools, by hosting sports events and by opening our acclaimed Forest School to Partnership pupils. Our pupils also serve the community by entertaining residents of Sunrise Senior Living Care Home in Edgbaston and residents of the Little Sisters of the Poor Care Home in Harborne with singing and music. Our pupils also serve the community by suggesting charities to support and by actively engaging in fund raising activities in support of worthy causes, including

- o CAFOD
- o MacMillan Cancer Support
- o Rwanda Appeal
- o British Heart Foundation
- o Little Sisters of the Poor
- o Children in Need
- o SIFA Fireside Homeless Charity
- o Operation Christmas Child Shoebox Appeal

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**STRATEGIC REPORT**

**FINANCIAL REVIEW**

**Results for the year**

The School had reported a deficit of £476k in the year ending 31 August 2020. This followed many years of satisfactory surplus outcomes. The unfortunate reverse in our fortunes was largely attributed to the devastating effects of the Coronavirus pandemic which inevitably entailed a severe drop in in school fee revenue. Total potential loss had been partially mitigated by the extensive use of the government's job retention (furlough) scheme.

The effects of the pandemic continued to be felt in the year under report, during which the Governing Council again oversaw the implementation of appropriate changes in operational practices and procedures. The teaching and support staff continued to show extraordinary commitment, and the remote learning arrangements were further developed prior to the full resumption of in - school teaching. The extensive support thus provided to pupils and parents was the subject of much favourable comment.

Other factors which may have contributed to a continuing drop in Pupil numbers and school fee revenue over the last two years include the changes made by the School to meet the exacting 'Section 48' inspection requirements of the Catholic Archdiocese of Birmingham. These changes were not universally welcomed by an increasingly diverse multi – faith cohort of pupils and parents. This issue will be addressed by the Governing Council in 2022 following widespread consultation.

The final result for the year ended 31 August 2021 was a deficit of £217k, an improvement of some £259k on the previous year. This reflected active ongoing credit control and significant reductions in costs, which were carefully managed to ensure that the quality of our educational product was not impaired.

The control of staff costs, our biggest expense, was a particular focus of management. For the duration of the pandemic, with the associated pressure on the School's financial position, the Priory teacher salary scale has not been in force. Teachers, however, welcomed the Board's approval of a general 1.00% increase in their salaries from 1 March 2021, while salaries of hourly paid staff were adjusted in line with annual changes in the National Living Wage. Cost savings were also secured through certain voluntary reductions in contracted working hours and by non - replacement of departing staff where possible. This latter initiative required further changes in working practices and was affected with the understanding and cooperation of the affected personnel.

Total school fees receivable increased year on year by £228k (2019/20 £1,181k decrease), after taking into account

- a reduction of £107k in financial support to parents through bursaries, supported places, scholarships and sibling allowances (2019/20 reduction £182k),

and

- unchanged gross school fee tariffs (2019/20 increased by 3.00%)

The 2019/20 decrease in school fees was influenced by the variety of measures taken during the COVID outbreak. These included partial School closures, and deep discounts offered to assist parents. These measures were not repeated in 2020/21.

Average pupil numbers were 395 for the year (2019/20 - 411). Senior School numbers, including Sixth Form, at 210 reduced by 5 while Prep School numbers reduced by 17 to 112. Numbers in Poppets (including Nursery) increased by 6 to 73.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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In furtherance of our aim to widen access to the School, we have made means-tested awards to 66 pupils (2019/20 – 39 pupils) with a total value of £212k for the year (2019/20 - £194k). This represents 4.20% of our gross tuition fee income.

Teaching staff numbers reduced slightly, being 84 at August 2021 (88 in August 2020), while teaching staff costs reduced by some £250k, partly reflecting the offsetting effect of the remaining furlough receipts and the absence of the normal annual pay awards as well as lower numbers – a planned reduction achieved through non replacement of some departing teachers.

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

The school's total reserves were £1,429,850 at the year - end. £1,147,103 of this represented the net book value of fixed assets, leaving free reserves of £282,747 (2020 £286,776) against a policy of £503k. There was no restricted income.

The Council's continuing policy is to seek to have free reserves at a level sufficient to enable the School to withstand consequential pupil losses of up to 10%. The target level of free resources on this basis is approximately £503k. There is, therefore, a shortfall of £220k against the desired reserve level as a consequence of the financial outcomes mentioned above.

The Council has reviewed financial projections for the future. These projections reflect the School's aim to return to growth in pupil numbers throughout the school and to increase net income through modest annual increases in school fee tariffs while continuing the policy of providing judiciously for scholarships, supported places and bursaries. Combined with continued attention to credit control and costs, achievement of this strategic objective should deliver future surpluses and enable the School to restore its free reserves to the target level over the medium term. In the short term, however, it will take some further time to recover from the financial effects of the downturn.

The Council expects to progress towards break even in 2021/202, with growing surpluses in the following years. The cash position has remained positive through the crisis years and should sustain the school through any foreseeable further short-term reverse in revenues for the immediate future. On this basis the going concern status is considered appropriate.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Council continues to keep under review the School's activities, the risks that may arise from them and the internal controls, systems and procedures established to manage them.

Detailed consideration of risk is delegated to the Risk and Compliance Committee, which meets three times a year and reports formally to the Governing Body. The structure of the Committee comprises two members of the Governing Council, assisted by Senior Management.

The risk management process adopted by the Risk and Compliance Committee identifies major risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high. Mitigation measures include ensuring that appropriate insurance cover is in place to cover any insurable risks identified.

The key risks and actions to mitigate those areas are as follows:

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

Risk identified	Mitigation
Damage to reputation from fraud, accident, unsatisfactory inspection reports or adverse media coverage	<p>Careful financial management by Governing Council, supported by a Finance and General Purposes Committee and by the Finance Director;</p> <p>A Risk and Compliance Committee of the Board with specific delegated responsibility for Health &amp; Safety meets three times a year and reviews policy, practice, and any incidents requiring Board level attention.</p> <p>Continuous programme of campus security improvements in place</p> <p>All external and parent communications channelled through senior management for immediate attention;</p> <p>Detailed risk register maintained by the Facilities Manager</p>
Reduction in pupil numbers	<p>Heavy emphasis on and continuing investment in marketing;</p> <p>Close involvement of senior management in pupil recruitment process;</p> <p>Increased focus on improving the academic achievement of pupils</p>

*Other risk aspects:*

The Trustees consider the affordability of fees by parents across the independent sector to be the principal financial risk faced by the School, especially as local competition from other independent schools remains intense. In recognition of these factors, and the particular circumstances of the pandemic, the Governing Council decided on this occasion to forego the usual annual increase in school fee tariffs.

Health and Safety is always a significant area for risk management. The risks generally range from fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions). The level and breadth of activity at the School is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment. A particular concern in the year under review was the management of the public health risks associated with the pandemic outbreak. This risk was mitigated by strict adherence to government guidelines and by some judicious changes in the internal and external infrastructure of the School to facilitate the maintenance of social distancing

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

- detailed terms of reference together with formal agendas for Committee and Board activity;
- 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.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**FUTURE PLANS**

2021/2022 will be another challenging year for Priory School, in which we shall seek to contain the impact of the pandemic and to start growing pupil numbers again.

Plans include:

- Seeking to build up pupil numbers again throughout the school by use of intensive marketing initiatives
- Optimising the use of the Mayfield building
- Securing a high cohort value for pupils entering the School at Year 7
- Continuing to manage our estate in a cost - effective way, while adapting for the needs of COVID
- Using the School grounds where possible for development of the outdoor curriculum;
- Continuing to strengthen our IT platform and pupil access to IT learning facilities;
- Keeping parents informed through extensive use of ParentMail.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

The trustees (who are also the directors of Priory School for the purposes of company law) are responsible for preparing the Annual Report and the financial statements with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources for that period. In preparing these financial statements, the Governing Body members are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the charity's constitution. 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.

**Relevant Audit Information**

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Governing Council of Priory School Edgbaston on 2 March 2022 including, in their capacity as company directors, approving the Directors' and Strategic Reports contained herein, and signed on its behalf by:

*H Somerfield*

**H Somerfield**  
Chair of Governing Council

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Opinion**

We have audited the financial statements of Priory School Edgbaston Trustees Limited for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance or 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.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Opinions on other matters 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, including the strategic 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 strategic report and the directors' report included within the trustees' report have 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 Trustees' Report including the 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; 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 trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of donation and ancillary income, procurement processes for significant capital projects and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance & General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

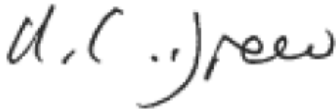
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Helen Drew (Senior statutory auditor)

For and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 14 March 2022

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted Funds £	<b>2021 Total £</b>	<i>2020 Total £</i>
<b>Income from:</b>				
<b>Charitable activities</b>				
School fees receivable	2	4,207,764	<b>4,207,764</b>	3,873,241
Ancillary trading income	3	169,009	<b>169,009</b>	197,766
<b>Other trading activities</b>	4	9,973	<b>9,973</b>	7,240
<b>Investments</b>	5	19	<b>19</b>	3,977
<b>Donations and legacies</b>	6	-	-	1,000
<b>Other income</b>	7	<u>20,311</u>	<b><u>20,311</u></b>	<u>439,605</u>
<b>Total incoming resources</b>		<u>4,403,576</u>	<b><u>4,403,576</u></b>	<u>4,522,829</u>
<b>Expenditure on:</b>				
<b>Raising funds</b>				
Financing costs	8	(8,340)	<b>(8,340)</b>	164,705
<b>Charitable activities</b>				
Education	9	<u>4,629,362</u>	<b><u>4,629,362</u></b>	<u>4,395,270</u>
<b>Total expenditure</b>		<u>4,621,022</u>	<b><u>4,621,022</u></b>	<u>4,559,975</u>
<b>Net incoming funds from operations before transfers</b>		<u>(217,446)</u>	<b><u>(217,446)</u></b>	<u>(476,121)</u>
Net movement in funds for the year		<u>(217,446)</u>	<b><u>(217,446)</u></b>	<u>(476,121)</u>
Fund balances at 1 September 2020		<u>1,647,296</u>	<b><u>1,647,296</u></b>	<u>2,123,417</u>
<b>Fund balances at 31 August 2021</b>		<u>1,429,850</u>	<b><u>1,429,850</u></b>	<u>1,647,296</u>

The notes on pages 18 to 31 form part of these financial statements

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	11	<u>1,147,103</u>	<u>1,360,520</u>
<b>CURRENT ASSETS</b>			
Debtors	12	<b>344,109</b>	466,275
Cash and deposits		<u>744,179</u>	<u>420,770</u>
		<b>1,088,288</b>	887,045
<b>CURRENT LIABILITIES</b>			
Creditors payable within one year	13	<u>(805,541)</u>	<u>(600,269)</u>
<b>NET CURRENT ASSETS</b>		<u><b>282,747</b></u>	<u>286,776</u>
<b>NET ASSETS</b>		<u><b>1,429,850</b></u>	<u>1,647,296</u>
<b>REPRESENTED BY:</b>			
<b>UNRESTRICTED FUNDS</b>			
General Reserve	17	<u>1,429,850</u>	<u>1,647,296</u>

These financial statements were approved by the Governing Body and signed on its behalf by:

*H Somerfield*

**H Somerfield**  
(Chair)  
Date: 2 March 2022

**The notes on pages 18 to 31 form part of these financial statements**

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**CASH FLOW STATEMENT**  
**AS AT 31 AUGUST 2021**

	2021		2020	
	£	£	£	£
<b>Net cash outflow from operations</b>				
Net cash provided by operating activities		<b><u>326,517</u></b>		<b><u>(227,141)</u></b>
<b>Cash flows from investing activities:</b>				
Payments for tangible fixed assets	(11,467)		(34,747)	
Investment income and bank interest received	<u>19</u>		<u>3,977</u>	
<b>Net cash used in by investing activities</b>		<b><u>(11,448)</u></b>		<b><u>(30,770)</u></b>
<b>Cash flows from financing activities:</b>				
Finance costs paid	8,340		(164,705)	
Repayment of borrowings	<u>-</u>		<u>-</u>	
<b>Net cash provided by financing activities</b>		<b><u>8,340</u></b>		<b><u>(164,705)</u></b>
Change in cash and cash equivalents in the period		<b>323,409</b>		<b>(422,616)</b>
Cash and cash equivalents at the beginning of the period		<b><u>420,770</u></b>		<b>843,386</b>
Cash and cash equivalents at the end of the period		<b><u>744,179</u></b>		<b><u>420,770</u></b>

The notes on pages 18 to 31 form part of these financial statements

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE CASH FLOW STATEMENT**  
**AS AT 31 AUGUST 2021**

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**(i) Reconciliation of net income to net cash flow from operating activities**

	2021 £	2020 £
Net incoming resources	(217,446)	(476,121)
Elimination of non-operating cash flows:		
- Investment income	(19)	(3,977)
- Finance costs	(8,340)	164,705
Depreciation charge	224,884	225,405
Decrease/(Increase) in debtors	122,166	(41,432)
Increase/(Decrease) in creditors (excluding fees in advance and deposit)	76,641	(87,720)
Increase/(Decrease) in fees in advance scheme creditors	136,681	(6,806)
(Decrease) in parents' deposits	<u>(8,050)</u>	<u>(1,195)</u>
<b>Net cash inflow/(outflow) from operations</b>	<b><u>326,517</u></b>	<b><u>(227,141)</u></b>

**(ii) Analysis of cash and cash equivalents**

Cash at bank	<u>744,179</u>	<u>420,770</u>
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**(iii) Analysis of changes in net debt**

	At 1 September 2020 £	Cash flows £	Other non-cash changes £	At 31 August 2021 £
Cash at bank and in hand	<u>420,770</u>	<u>323,409</u>	<u>-</u>	<u>744,179</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. ACCOUNTING POLICIES**

**1.1 Basis**

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

The functional currency of the School is considered to be sterling because that is the currency of the primary economic environment in which the School operates.

The Trustees have a reasonable expectation that Priory School Edgbaston Trustees Limited has adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties about the School's ability to continue and therefore the Trustees adopt the going concern basis of accounting in preparing the financial statements.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 30 July 1986 (company number: 2042309) and registered as a charity on 6 October 1986 (charity number: 518009). The registered office and principal place of business is 39 Sir Harry's Road, Edgbaston, Birmingham, B15 2UR.

**1.2 Critical accounting judgements and key sources of estimation uncertainty**

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

**1.3 Fees and similar earned income**

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Fees received in advance of education to be provided in future years are treated as deferred income and included within creditors.

**1.4 Donations, legacies, grants and other voluntary incoming resources**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**ACCOUNTING POLICIES (continued)**

**1.5 Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

**1.6 Tangible fixed assets**

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value, evenly over its expected useful life, as follows:

- Fixtures, fittings and equipment                      3 to 10 years
- Leasehold improvements                                      5 to 20 years

Depreciation is provided in full in the year of acquisition.

Expenditure of a capital nature below £500 are not capitalised.

**1.7 Debtors**

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

**1.8 Creditors and provisions**

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

**1.9 Fund accounting**

The charitable trust funds of the School are accounted for as unrestricted or restricted income

**Unrestricted** income belongs to the Schools' corporate reserves, spendable at the discretion of the Trustees either to further the School's Objects or to benefit the School itself. Where the Trustees decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

**Restricted** income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**ACCOUNTING POLICIES (continued)**

**1.10 Pension costs**

Retirement benefits to employees of the School who are teachers are provided through a defined benefit scheme. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the Schools' share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The Schools' contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

**1.11 Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**1.12 Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

**1.13 Cash at Bank and in hand**

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

**2. CHARITABLE ACTIVITIES – FEES RECEIVABLE**

	2021	2020
	£	£
<b>Fees receivable consist of:</b>		
School fees	5,027,130	4,799,294
Less: total scholarships and bursaries	<u>(819,366)</u>	<u>(926,053)</u>
	<b><u>4,207,764</u></b>	<b><u>3,873,241</u></b>

Scholarships, bursaries and other awards were paid to 209 pupils (2020: 188). Within this means-tested bursaries totalling £212,284 were paid to 66 pupils (2020: £193,537 to 60 pupils).

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

<b>3. CHARITABLE ACTIVITIES – OTHER INCOME</b>	<b>2021</b>	<b>2020</b>
	£	£
Extras	<b>125,050</b>	147,496
Entrance and registration fees	<b>36,653</b>	40,756
Excursions	-	-
Commissions and other income	<b><u>3,806</u></b>	<u>9,514</u>
	<b><u>165,509</u></b>	<u>197,766</u>
 <b>4. OTHER TRADING ACTIVITIES</b>	 <b>2021</b>	 <b>2020</b>
	£	£
<b>Other activities</b>		
Lettings	<b>3,500</b>	1,920
Other	<b><u>6,473</u></b>	<u>5,320</u>
	<b><u>9,973</u></b>	<u>7,240</u>
 <b>5. INVESTMENTS</b>	 <b>Total</b>	 <b>Total</b>
	<b>2021</b>	<b>2020</b>
	£	£
Bank interest	<b><u>19</u></b>	<u>3,977</u>
 <b>6. DONATIONS AND LEGACIES</b>	 <b>Total</b>	 <b>Total</b>
	<b>2021</b>	<b>2020</b>
	£	£
Other donations	<b><u>-</u></b>	<u>1,000</u>
 <b>7. OTHER INCOME</b>	 <b>Total</b>	 <b>Total</b>
	<b>2021</b>	<b>2020</b>
	£	£
Government grant	<b><u>20,311</u></b>	<u>439,605</u>

The government grant received during the year related to the Coronavirus Job Retention Scheme.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**8. ANALYSIS OF EXPENDITURE**

**(a) Total expenditure**

	Staff costs	Depreciation	Other	Total	<i>Total</i>
	(note 10)	(note 11)		2021	2020
	£	£	£	£	£
<b>Costs of generating funds</b>					
Financing costs (note 9)	-	-	(8,340)	<b>(8,340)</b>	<u>164,705</u>
<b>Total costs of generating funds</b>	<b>-</b>	<b>-</b>	<b>(8,340)</b>	<b>(8,340)</b>	<u>164,705</u>
<b>Charitable expenditure</b>					
<i>Education</i>					
Teaching	2,864,561	-	148,460	<b>3,013,021</b>	2,961,564
Welfare	-	-	324,455	<b>324,455</b>	219,764
Premises	317,649	224,884	266,861	<b>809,394</b>	914,987
Support costs and governance	301,968	-	180,524	<b>482,492</b>	298,955
<b>Total charitable expenditure</b>	<u>3,484,178</u>	<u>224,884</u>	<u>920,300</u>	<b>4,629,362</b>	<u>4,395,270</u>
<b>Total expended</b>	<b><u>3,484,178</u></b>	<b><u>224,884</u></b>	<b><u>911,960</u></b>	<b><u>4,621,022</u></b>	<u>4,559,975</u>

**Total expenditure comparative**

	Staff costs	Depreciation	Other	Total	<i>Total</i>
	(note 10)	(note 11)		2020	2019
	£	£	£	£	£
<b>Costs of generating funds</b>					
Financing costs (note 9)	-	-	164,705	<u>164,705</u>	<u>96,123</u>
<b>Total costs of generating funds</b>	<b>-</b>	<b>-</b>	<b>164,705</b>	<b>164,705</b>	<u>96,123</u>
<b>Charitable expenditure</b>					
<i>Education</i>					
Teaching	2,864,561	-	254,328	2,961,564	3,249,008
Welfare	-	-	219,764	219,764	254,880
Premises	327,613	225,405	361,969	914,987	906,641
Support costs and governance	231,685	-	67,270	298,955	621,449
<b>Total charitable expenditure</b>	<u>3,266,534</u>	<u>225,405</u>	<u>903,331</u>	<u>4,395,270</u>	<u>5,031,978</u>
<b>Total expended</b>	<b><u>3,266,534</u></b>	<b><u>225,405</u></b>	<b><u>1,068,036</u></b>	<b><u>4,559,975</u></b>	<u>5,128,101</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

8. ANALYSIS OF EXPENDITURE (CONTINUED)	2021	2020
<b>(b) Governance included in support costs:</b>		
	£	£
Remuneration paid to auditor for audit services	11,490	13,547
Other governance costs	<u>57,217</u>	<u>66,090</u>
	<u>68,707</u>	<u>79,637</u>
<b>9. FINANCE AND OTHER COSTS</b>	<b>2021</b>	<b>2020</b>
	£	£
Bank charges	9,434	8,317
Bad and doubtful debts	<u>(17,774)</u>	<u>156,388</u>
	<u>(8,340)</u>	<u>164,705</u>
<b>10. STAFF COSTS</b>	<b>2021</b>	<b>2020</b>
	£	£
The aggregate payroll costs for the year were as follows:		
Wages and salaries	2,772,528	2,552,619
Social security costs	259,195	251,759
Other pension costs	<u>428,063</u>	<u>460,976</u>
	3,459,786	3,265,354
Supply staff costs	24,392	1,180
Staff restructuring costs	-	-
	<u>3,484,178</u>	<u>3,266,534</u>
None of the members of the governing body received any remuneration or other benefits from Priory School or from any connected body.		
Travel expenses reclaimed by members of the governing body – Nil (2020: Nil).		
Aggregate employee-benefits of key management personnel	<u>647,217</u>	<u>534,157</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**10. STAFF COSTS (CONTINUED)**

	<b>2021</b>	<i>2020</i>
Number of higher paid employees in taxable emoluments bands of: £120,001 to £130,000	<u><b>1</b></u>	<u><i>1</i></u>
The number with retirement benefits accruing - in Defined Benefit schemes was	<b>1</b>	<i>1</i>
of which contributions amounted to	<u><b>29,941</b></u>	<u><i>£29,792</i></u>

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

	<b>2021</b>	<i>2020</i>
Teaching	<b>83</b>	<i>88</i>
Other activities	<u><b>24</b></u>	<u><i>25</i></u>
	<u><b>107</b></u>	<u><i>113</i></u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**11. TANGIBLE FIXED ASSETS**

	Leasehold Improvements £	Fixtures, Fittings & Equipment £	Total £
<b>Cost</b>			
At 1 September 2020	2,035,975	690,057	<b>2,726,032</b>
Additions	1,951	9,516	<b>11,467</b>
Disposals	-	-	-
<b>At 31 August 2021</b>	<b><u>2,037,926</u></b>	<b><u>699,573</u></b>	<b><u>2,737,499</u></b>
 <b>Depreciation</b>			
At 1 September 2020	798,840	566,672	<b>1,365,512</b>
Charge for the year	173,268	51,616	<b>224,884</b>
Disposals	-	-	-
<b>At 31 August 2021</b>	<b><u>972,108</u></b>	<b><u>618,288</u></b>	<b><u>1,590,396</u></b>
 <b>Net book value</b>			
At 31 August 2021	<b><u>1,065,818</u></b>	<b><u>81,285</u></b>	<b><u>1,147,103</u></b>
<i>At 31 August 2020</i>	<u>1,237,135</u>	<u>123,385</u>	<b><u>1,360,520</u></b>

**12. DEBTORS**

	2021 £	2020 £
Trade debtors	<b>225,912</b>	269,833
Other debtors	<b>16,967</b>	17,977
Prepayments and accrued income	<b>101,230</b>	178,465
	<b><u>344,109</u></b>	<u>466,275</u>

An impairment gain of £17,774 (2020: Loss of £156,387) was recognised against the School Fees debtors during the year.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**13. CREDITORS: amounts falling due within one year**

	2021	2020
	£	£
Deposits from parents	(130,336)	(138,386)
Deferred income	(425,796)	(289,115)
Trade creditors	(86,843)	1,968
Taxes and Social Security Cost	(62,314)	(63,710)
Accruals and other creditors	<u>(100,252)</u>	<u>(111,026)</u>
	<u><b>(805,541)</b></u>	<u><b>(600,269)</b></u>

The Governors have reviewed the contract terms under which Pupil fee deposits are held by the school. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The school does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August 2021 have been included within current liabilities. The prior year Pupil fee deposits balance has been similarly represented.

**14. DEFERRED INCOME**

<b>Summary of movements in liability</b>	£
Balance at 1 September 2020	289,904
Amounts released to incoming resources	(289,904)
Amounts deferred in the year	425,796
<b>Balance at 31 August 2021</b>	<u><b>425,796</b></u>

Deferred income comprises school fees received in advance and trip monies received in advance.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**15. FINANCIAL INSTRUMENTS**

Investment income for financial assets measured at fair value through income and expenditure amounted to £19 (2020: £3,977).

**16. OPERATING LEASES**

The commitments due over the life of the leases, under non-cancellable operating leases are analysed as follows:

	<b>2021</b>	<i>2020</i>
< 1 year	<b>17,872</b>	23,482
2 – 5 years	<b>38,468</b>	43,326
> 5 years	<b><u>171,000</u></b>	<u>175,500</u>
Total	<b><u>227,340</u></b>	<u>242,308</u>

The operating lease expense charged in the year was £18,185 (2020: £23,756).

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**17. STATEMENT OF FUNDS**

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers between funds £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>					
General funds	1,647,296	4,403,576	(4,621,022)	-	<b>1,429,850</b>
<b>Total Funds</b>	<u>1,647,296</u>	<u>4,403,576</u>	<u>(4,621,022)</u>	<u>-</u>	<u>1,429,850</u>

STATEMENT OF FUNDS – PRIOR YEAR

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Transfers between funds £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>					
General funds	2,123,417	4,083,854	(4,559,975)	-	1,647,296
<b>Total Funds</b>	<u>2,123,417</u>	<u>4,083,854</u>	<u>(4,559,975)</u>	<u>-</u>	<u>1,647,296</u>

**SUMMARY OF FUNDS**

	At 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	At 31 August 2021 £
<b>Unrestricted funds</b>	<u>1,647,296</u>	-	(217,446)	-	<u>1,429,850</u>
<b>Total Funds</b>	<u>1,647,296</u>	<u>-</u>	<u>(217,446)</u>	<u>-</u>	<u>1,429,850</u>

SUMMARY OF FUNDS – PRIOR YEAR

	At 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	At 31 August 2020 £
<b>Unrestricted funds</b>	<u>2,123,417</u>	-	(476,121)	-	1,647,296
<b>Total Funds</b>	<u>2,123,417</u>	<u>-</u>	<u>(476,121)</u>	<u>-</u>	<u>1,647,296</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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

	<b>Unrestricted</b>	<b>Total</b>
	£	£
Fund balances at 31 August 2021 are represented by:		
Tangible fixed assets	1,147,103	<b>1,147,103</b>
Current assets	1,088,288	<b>1,088,288</b>
Current liabilities	(805,541)	<b>(805,541)</b>
	<u>1,429,850</u>	<u><b>1,429,850</b></u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Unrestricted	Total
	£	£
Fund balances at 31 August 2020 are represented by:		
Tangible fixed assets	1,360,520	1,360,520
Current assets	887,045	887,045
Current liabilities	(600,269)	(600,269)
	<u>1,647,296</u>	<u>1,647,296</u>

**19. PENSION SCHEMES**

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £428,063 (2020: £400,027) and at the year-end £33,751 (2020: £36,117) 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.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**19. PENSION SCHEMES (CONTINUED)**

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

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.

**20. RELATED PARTY TRANSACTIONS**

There were no related party transactions in the year.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**

England & Wales - Charity number 518009

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# Accounts

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**Company No. 2042309**  
**Registered in England and Wales**  
**Charity No. 518009**

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

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**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**GOVERNORS, OFFICERS AND ADVISERS**  
**YEAR ENDED 31 AUGUST 2020**

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**GOVERNORS, DIRECTORS AND CHARITY TRUSTEES**

The Governors of Priory School Edgbaston Trustees Limited are the School's charity trustees under charity law and they are the directors of the charitable company. Members of the Governing Body (Governing Council) who served in office as Governors during the year and subsequently are detailed below.

		(1)	(2)	(3)
Ms H Somerfield (Chair)		x	x	x
Ms D Mattison (Vice Chair)		x		
Mr M Hunt		x		
Mr V Naik		x		
Mr S M Q Gilmore				
Mr T J P Ryan				x
Sister M Matthews			x	
Dr T Wood				
Mrs A Cleary	Appointed 9 October 2019			x

During the year certain activities of the Governing Body were carried out through three committees, being the following

- (1) Finance and General Purposes Committee
- (2) Risk and Compliance Committee (incorporating Health and Safety)
- (3) Governor Nomination and Selection Committee

Membership of Committees is shown above for each Governor.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED  
GOVERNORS, OFFICERS AND ADVISERS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**ADVISORS**

**OFFICERS (currently and throughout the year)**

Mr J Cramb BA Hons, PGCE, MEd

Headmaster

Mr P Murphy LIB

Finance Director and Company Secretary

**Registered Office**

Priory School, 39 Sir Harry's Road, Edgbaston, Birmingham, B15 2UR

**Auditors**

Crowe U.K. LLP, Rounds Green Road, Oldbury, West Midlands, B69 2DG

**Bankers**

Handelsbanken, 55 Calthorpe Road, Edgbaston, Birmingham B15 1TH

and

Barclays Bank, Birmingham Business Centre, 15 Colmore Row, Birmingham, B3 2EP

**Website**

[www.prioryschool.net](http://www.prioryschool.net)

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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The members of the Priory School Governing Body present their Annual Report for the year ended 31 August 2020 under the Charities Act 2011, including the Directors' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year.

**REFERENCE AND ADMINISTRATIVE INFORMATION**

Priory School Edgbaston Trustees Limited is constituted as a company limited by guarantee registered in England, No. 2042309, and is registered with the Charity Commission under Charity No. 518009.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing documents**

The School is governed by its Memorandum of Association and Articles of Association, as altered by special resolutions passed 29<sup>th</sup> May 2002 and 30<sup>th</sup> July 2002.

**Governing Body**

The Governing Council is the Governing Body. Council members are elected at a general meeting and must be proposed by a member qualified to attend and vote at such meetings, in accordance with the Memorandum and Articles of Association. The number of Council members in office should not be more than 16 and not less than 8, as provided in the Memorandum and Articles of Association.

**Recruitment and training of Directors**

New Directors (Members of the Governing Council) are introduced to the workings of the School, including Governing Council policy and procedures, by the Governor Nomination and Selection Committee. Directors also attend specialist external courses from time to time, for example on Safeguarding Training.

**Organisational management**

The Council members meet as a Board at least four times per annum to determine the general policy of the company and to review its overall management and control, for which they are legally responsible.

The Council members delegate day to day management of the School to the Headmaster and his senior management team, comprising the Finance Director, the Facilities Manager and the Deputy Heads and Assistant Heads of the Preparatory and Senior Schools. Together, this group are the key management personnel.

The Council operates a number of Committees with delegated responsibilities in specific areas. These include the Finance and General Purposes Committee, the Risk and Compliance Committee and the Governor Nomination and Selection Committee. The Head and Finance Director attend meetings of the Governing Council's Committees. In addition, certain members of the Council have specific governance responsibilities in key areas such as Early Years, Child Protection, Marketing and Special Educational Needs.

The Finance and General Purposes Committee meets shortly before each meeting of the full Governing Council, specifically to review financial performance, budgets and management accounts. Responsibilities of this Committee also include Marketing, Facilities, Fundraising and Infrastructural Development projects. The Committee makes recommendations to Governing Council on the annual reviews of School Fee tariffs and Staff Salary scales.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Employment policy**

Delivery of the School's charitable vision and purpose is primarily dependent on its key management personnel, and staff costs are the largest single element of charitable expenditure.

Remuneration policy is set by the Headmaster and Finance Director, subject to board (Council) approval, with the objective of providing appropriate incentives to encourage optimal performance and of rewarding individual contributions to the Schools' success fairly and responsibly.

The appropriateness and relevance of remuneration policy is reviewed annually. While reviews include reference to conditions in the education sector generally, the School is free to set its pay scales independently. Here the objective is to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere, while adapting to local budgetary conditions

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due attention is given to their training and employment needs.

Communication with employees continues through normal management channels, in particular through the Daily Bulletin in which staff are apprised of current issues and of key decisions affecting the school. Whole staff meetings, which are held termly, include briefings from the Headmaster, Finance Director, and other members of the senior management team.

**Key Relationships**

The School is a member of ISA (Independent Schools Association), AGBIS (Association of Governing Bodies of Independent Schools), and ISBA (Independent Schools Bursars' Association).

Locally, the School is a member of the Birmingham Catholic Schools Partnership.

In recognition of its heritage, the School maintains links with the Society of the Holy Child Jesus and with sister schools in Ireland, Europe and North America.

We cooperate with a number of local organisations in our ongoing endeavours to widen public access to the schooling that we can provide, to optimise the use of our cultural and sporting facilities and to develop in our pupils an awareness of the social context of the education that they receive at the School. We are also involved in the Erasmus "Big Outdoors" project for Early Years children with schools in Sweden, Germany, Iceland and Austria.

The School also benefits from the generosity of its parents' association, the Friends of Priory School, whose close support we greatly appreciate and gladly acknowledge.

**OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

The company is established to advance education by running a School in the United Kingdom as a registered charity for the education of children of both sexes and all denominations.

The company's principal activity remains the provision of independent education for children from Early Years to Sixth Form.

**Strategic Aim**

Priory School is a Catholic school which welcomes pupils of all faiths and abilities and is committed to delivering success for every child in its care, complementing academic life with performing arts, sports, and other extra-curricular activities designed to develop self-confident and well-rounded individuals.

Our aim is encapsulated in the following extract from our Mission Statement :

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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*'In partnership with parents or guardians, we provide a caring community with high standards of teaching and learning, enabling all pupils to achieve success.'*

**Principal activity**

The company's principal activity remains the provision of independent education for children from nursery to sixth form.

**Serving the public benefit**

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. In particular, the School has continued to support the widening of access to our school by pupils from lower income families through the provision of Scholarships and Supported Places. However, as the School has no endowment fund, we have had to maintain a careful balance between fee paying parents and those benefiting from the awards, in order to ensure our ongoing financial viability and to support further development of the School

The Scholarship scheme offers access to our School for bright pupils who excel academically or in areas such as sport, art, music or drama. During the 2019/20 academic year we have again complemented the Scholarship scheme with Supported Place awards, which have been means-tested and which have further supplemented the Scholarship award in appropriate cases.

The Council views our Scholarship and Supported Places awards as essential in helping to ensure that children from families who would otherwise not be able to afford the fees can access the education that we offer. Additionally, awards of Bursaries are made on the basis of parental means or to relieve financial hardship where an existing pupil's place might otherwise be at risk. To underline the value that we place on continuity for families, we continue to offer sibling discounts where parents have more than one child at the School.

The Trustees achieve the wider public benefit aim by providing use of the school's facilities for a range of community events and activities, including car parking for major sporting events at Edgbaston Priory Club (tennis tournaments) and at Edgbaston Stadium (cricket test matches).

Other beneficiaries of this policy this year included

- National Youth Recorder Orchestra
- Football: a local football club has occasional use of our football pitch at the weekends
- Short Tennis: coached in our sports hall under the auspices of Edgbaston Priory Club.

The School continues to play an active part in seeking to extend its charitable activities to the general public and is willing to assist and support in areas of need. We encourage our pupils to be good team players who are able to think independently and lead when required and we seek to foster a strong sense of the pupils' place in their local community and wider society.

We play a key role in the Catholic Partnership, which consists mainly of state schools, by hosting sports events and by opening our acclaimed Forest School to Partnership pupils. Our pupils also serve the community by entertaining residents of Sunrise Senior Living Care Home in Edgbaston and residents of the Little Sisters of the Poor Care Home in Harborne with singing and music. Our pupils also serve the community by suggesting charities to support and by actively engaging in fund raising activities in support of worthy causes, including

- o CAFOD
- o MacMillan Cancer Support
- o Rwanda Appeal
- o British Heart Foundation
- o Little Sisters of the Poor
- o Children in Need

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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- SIFA Fireside Homeless Charity
- Operation Christmas Child Shoebox Appeal

**STRATEGIC REPORT**

**FINANCIAL REVIEW**

**Results for the year**

Following a run of surplus outcomes (£168k in 2018/19), we had anticipated a significant drop in revenue and in pupil numbers in line with the general economic uncertainty, and with trends in the independent education sector in particular. The outbreak of Coronavirus in March, however, was clearly not expected. The COVID 19 pandemic which ensued had devastating effects on the economy and severely impacted on the School. We were especially affected in the last part of the academic year when public health measures, and government guidance generally, required the adoption of special measures and the closure of the school in the Summer term.

All significant changes to the School's operating procedures and practices arising from the pandemic were overseen by the Governing Council and its committees which met as necessary on a virtual basis via ZOOM.

Our teaching and support staff demonstrated extraordinary resilience and commitment in adapting to this unprecedented situation and worked hard to ensure continuing support for pupils and parents, and to minimise disruption to the pupils' education. The adoption and development of remote learning methods became increasingly important, while the continued provision of on - site teaching for children of key workers was a vital support to the Community.

It was necessary, however, to recognise the economic difficulties faced by parents as well as the inevitable impairment of the service provided by the School, and a range of discounts on school fees was agreed by the Governing Council. This loss of revenue is the principal factor behind the poor financial result in the year under consideration, in which we report a deficit of £476k.

The School availed of the government's Coronavirus Job Retention Scheme (CJRS), which enabled us to place a significant number of staff on furlough and to partly offset losses through the furlough payments. Crucially, it also ensured that we were able to avoid any redundancies.

Staff costs represent our biggest expense and it was deemed necessary to forego any contracted annual pay increases in the year, other than the 0.50% which was granted mid - way through the year. Otherwise, continued emphasis on cost control had a positive effect on School overheads but credit management has been challenging as parents struggled to meet commitments. There was a consequential increase in bad debt provisions, though some recovery is expected in the following year.

Total school fees receivable decreased year on year by £1,181k (2017/18 £136k increase), after taking into account

- a reduction of £182k in financial support to parents through bursaries, supported places, scholarships and sibling allowances (2018/19 reduction £82k),
- and
- a general increase in gross school fee tariffs of 3.50%. (2017/18 3.00%)

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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Average pupil numbers were 411 for the year (2018/19 - 475). Senior School numbers, including Sixth Form, at 215 reduced by 29 while Prep School numbers also reduced by 29 to 129. Numbers in Poppets (including Nursery) reduced by 6 to 67.

In furtherance of our aim to widen access to the School, we have made means-tested awards to 30 pupils (2018/19 – 39 pupils) with a total value of £194k for the year (2018/19 - £209k). This represents 3.20% of our gross tuition fee income compared with 3.50% in the prior year.

Teaching staff numbers were relatively stable, being 88 at August 2020 (90 in August 2019), while teaching staff costs reduced by some £250k, partly reflecting the offsetting effect of the furlough receipts and the absence of the normal annual pay awards.

**Reserves Level and Policy and Financial Viability**

The accounts have been prepared on a going concern basis.

The school's total reserves were £1,647,296 at the year - end. £1,360,520 of this represented the net book value of fixed assets, leaving free reserves of £286,776 (2019: £572k) against a policy of £480k. There was no restricted income.

The Council's continuing policy is to seek to have free reserves at a level sufficient to enable us to withstand consequential pupil losses of up to 10%. The target level of free resources on this basis is approximately £480k. There is, therefore, a shortfall of £193k against the desired reserve level as a consequence of the drop in pupil numbers and the financial outcomes mentioned above.

The Council has reviewed financial projections for the future. These projections reflect the School's aim to return to growth in pupil numbers throughout the school and to increase net income through modest annual increases in school fee tariffs while continuing the policy of providing judiciously for scholarships, supported places and bursaries. Combined with continued attention to credit control and costs, achievement of this strategic objective should deliver future surpluses and enable the School to restore its free reserves to the target level over the medium term. In the short term, however, it will take at least another year to recover from the financial effects of the downturn and a deficit of some £250k is forecast for 2020/2021, with a return to surplus in the following year. In the meantime, the projections indicate continuing positive cash balances throughout, on which basis the going concern status is considered appropriate.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Council continues to keep under review the School's activities, the risks that may arise from them and the internal controls, systems and procedures established to manage them.

Detailed consideration of risk is delegated to the Risk and Compliance Committee, which meets three times a year and reports formally to the Governing Body. The structure of the Committee comprises two members of the Governing Council, assisted by Senior Management.

The risk management process adopted by the Risk and Compliance Committee identifies major risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high. Mitigation measures include ensuring that appropriate insurance cover is in place to cover any insurable risks identified.

The key risks and actions to mitigate those areas are as follows:

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

Risk identified	Mitigation
Damage to reputation from fraud, accident, unsatisfactory inspection reports or adverse media coverage	<p>Careful financial management by Governing Council, supported by a Finance and General Purposes Committee and by the Finance Director;</p> <p>A Risk and Compliance Committee of the Board with specific delegated responsibility for Health &amp; Safety meets three times a year and reviews policy, practice, and any incidents requiring Board level attention.</p> <p>Continuous programme of campus security improvements in place</p> <p>All external and parent communications channelled through senior management for immediate attention;</p> <p>Detailed risk register maintained by the Facilities Manager</p>
Reduction in pupil numbers	<p>Heavy emphasis on and continuing investment in marketing;</p> <p>Close involvement of senior management in pupil recruitment process;</p> <p>Increased focus on improving the academic achievement of pupils</p>

*Other risk aspects:*

The Trustees consider the affordability of fees by parents across the independent sector to be the principal financial risk faced by the School, especially as local competition from other independent schools remains intense. In recognition of these factors, the Governing Council decided to limit general fee increases from September 2019 to 3.5%.

Health and Safety is always a significant area for risk management. The risks generally range from fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions). The level and breadth of activity at the School is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment. A particular concern in the year under review was the management of the public health risks associated with the pandemic outbreak. This risk was mitigated by strict adherence to government guidelines and by some judicious changes in the internal and external infrastructure of the School to facilitate the maintenance of social distancing

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

- detailed terms of reference together with formal agendas for Committee and Board activity;
- 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.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**FUTURE PLANS**

2020/2021 will be another challenging year for Priory School, in which we shall seek to contain the impact of the pandemic and to start growing pupil numbers again.

Plans include:

- Seeking to build up pupil numbers again throughout the school by use of intensive marketing initiatives
- Optimising the use of the Mayfield building
- Securing a high cohort value for pupils entering the School at Year 7
- Continuing to manage our estate in a cost - effective way, while adapting for the needs of COVID
- Using the School grounds where possible for development of the outdoor curriculum;
- Continuing to strengthen our IT platform and pupil access to IT learning facilities;
- Keeping parents informed through extensive use of ParentMail.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

The trustees (who are also the directors of Priory School for the purposes of company law) are responsible for preparing the Annual Report and the financial statements with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources for that period. In preparing these financial statements, the Governing Body members are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the charity's constitution. 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.

**Relevant Audit Information**

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Governing Council of Priory School Edgbaston on 24 February 2021 including, in their capacity as company directors, approving the Directors' and Strategic Reports contained herein, and signed on its behalf by:

*H Somerfield*

**H Somerfield**  
Chair of Governing Council

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Opinion**

We have audited the financial statements of Priory School Edgbaston Trustees Limited for the year ended 31 August 2020 set out on pages 14 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland.

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 2020 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

- The 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.

We have nothing to report in this regard.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Opinions on other matters 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, including the strategic 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 strategic report and the directors' report included within the trustees' report have 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 Trustees' Report including the 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; 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 trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

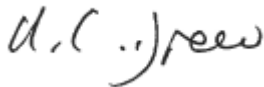
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED  
INDEPENDENT AUDITOR'S REPORT  
FOR THE YEAR ENDED 31 AUGUST 2020**

**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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Helen Drew (Senior statutory auditor)

For and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 25 March 2021

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted Funds £	<b>2020 Total £</b>	<i>2019 Total £</i>
<b>Income from:</b>				
<b>Charitable activities</b>				
School fees receivable	2	3,873,871	<b>3,873,871</b>	4,872,471
Ancillary trading income	3	197,766	<b>197,766</b>	405,215
<b>Other trading activities</b>				
Other activities	4	7,240	<b>7,240</b>	13,237
<b>Investments</b>				
Bank and other interest	5	3,977	<b>3,977</b>	5,290
<b>Voluntary sources</b>				
Grants and donations	6	<u>1,000</u>	<b><u>1,000</u></b>	<u>248</u>
<b>Total incoming resources</b>		<u>4,083,854</u>	<b><u>4,083,854</u></b>	<u>5,296,461</u>
<b>Expenditure on:</b>				
<b>Raising funds</b>				
Financing costs	8	164,705	<b>164,705</b>	96,123
<b>Charitable activities</b>				
Education	7	<u>4,395,270</u>	<b><u>4,395,270</u></b>	<u>5,031,978</u>
<b>Total expenditure</b>		<u>4,559,975</u>	<b><u>4,559,975</u></b>	<u>5,128,101</u>
<b>Net incoming funds from operations before transfers</b>		<u>(476,121)</u>	<b><u>(476,121)</u></b>	<u>168,360</u>
Net movement in funds for the year		<u>(476,121)</u>	<b><u>(476,121)</u></b>	<u>168,360</u>
Fund balances at 1 September 2019		<u>1,955,057</u>	<b><u>2,123,417</u></b>	<u>1,955,057</u>
<b>Fund balances at 31 August 2020</b>		<u>1,647,296</u>	<b><u>1,647,296</u></b>	<u>2,123,417</u>

The notes on pages 17 to 29 form part of these financial statements

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	10	<u>1,360,520</u>	<u>1,551,178</u>
<b>CURRENT ASSETS</b>			
Debtors	11	466,275	424,843
Cash and deposits		<u>420,770</u>	<u>843,386</u>
		887,045	1,268,229
<b>CURRENT LIABILITIES</b>			
Creditors payable within one year	12	<u>(600,269)</u>	<u>(695,990)</u>
<b>NET CURRENT ASSETS</b>		<u>286,776</u>	<u>572,239</u>
<b>NET ASSETS</b>		<u>1,647,296</u>	<u>2,123,417</u>
<b>REPRESENTED BY:</b>			
<b>UNRESTRICTED FUNDS</b>			
General Reserve	16	<u>1,647,296</u>	<u>2,123,417</u>
		<u>1,647,296</u>	<u>2,123,417</u>

These financial statements were approved by the Governing Body and signed on its behalf by:

*H Somerfield*

**H Somerfield**

(Chair)

Date: 24 February 2021

**The notes on pages 17 to 29 form part of these financial statements**

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**CASH FLOW STATEMENT**  
**AS AT 31 AUGUST 2020**

	2020		2019	
	£	£	£	£
<b>Net cash outflow from operations</b>				
Net cash provided by operating activities		<u>(227,141)</u>		<u>262,433</u>
<b>Cash flows from investing activities:</b>				
Payments for tangible fixed assets	(34,747)		(548,050)	
Investment income and bank interest received	<u>3,977</u>		<u>5,290</u>	
<b>Net cash used in by investing activities</b>		<u>(30,770)</u>		<u>(542,760)</u>
<b>Cash flows from financing activities:</b>				
Finance costs paid	(164,705)		(96,123)	
Repayment of borrowings	<u>-</u>		<u>-</u>	
<b>Net cash provided by financing activities</b>		<u>(164,705)</u>		<u>(96,123)</u>
Change in cash and cash equivalents in the period		(422,616)		(376,450)
Cash and cash equivalents at the beginning of the period		<u>843,386</u>		<u>1,219,836</u>
Cash and cash equivalents at the end of the period		<u>420,770</u>		<u>843,386</u>

**The notes on pages 17 to 29 form part of these financial statements**

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**NOTES TO THE CASH FLOW STATEMENT**  
**AS AT 31 AUGUST 2020**

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**(i) Reconciliation of net income to net cash flow from operating activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net incoming resources	<b>(476,121)</b>	<b>168,360</b>
Elimination of non-operating cash flows:		
- Investment income	<b>(3,977)</b>	<b>(5,290)</b>
- Finance costs	<b>164,705</b>	<b>96,123</b>
Depreciation charge	<b>225,405</b>	<b>286,594</b>
(Increase) in debtors	<b>(41,432)</b>	<b>(56,753)</b>
(Decrease) in creditors (excluding fees in advance and deposit)	<b>(87,720)</b>	<b>(113,773)</b>
(Decrease) in fees in advance scheme creditors	<b>(6,806)</b>	<b>(89,211)</b>
(Decrease) in parents' deposits	<b><u>(1,195)</u></b>	<b><u>(23,617)</u></b>
<b>Net cash inflow/(outflow) from operations</b>	<b><u>(227,141)</u></b>	<b><u>262,433</u></b>

**(ii) Analysis of cash and cash equivalents**

Cash at bank	<u>420,770</u>	<u>843,386</u>
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**(iii) Analysis of changes in net debt**

	<b>At 1</b>	<b>Cash</b>	<b>Other</b>	<b>At 31</b>
	<b>September</b>	<b>flows</b>	<b>non-cash</b>	<b>August</b>
	<b>2019</b>		<b>changes</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	<u>843,386</u>	<u>(422,616)</u>	=	<u>420,770</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. ACCOUNTING POLICIES**

**1.1 Basis**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015.

The functional currency of the School is considered to be sterling because that is the currency of the primary economic environment in which the School operates.

The Trustees have a reasonable expectation that Priory School Edgbaston Trustees Limited has adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties about the School's ability to continue and therefore the Trustees adopt the going concern basis of accounting in preparing the financial statements.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 30 July 1986 (company number: 2042309) and registered as a charity on 6 October 1986 (charity number: 518009). The registered office and principal place of business is 39 Sir Harry's Road, Edgbaston, Birmingham, B15 2UR.

**1.2 Critical accounting judgements and key sources of estimation uncertainty**

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

**1.3 Fees and similar earned income**

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Fees received in advance of education to be provided in future years are treated as deferred income and included within creditors.

**1.4 Donations, legacies, grants and other voluntary incoming resources**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**ACCOUNTING POLICIES (continued)**

**1.5 Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

**1.6 Tangible fixed assets**

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value, evenly over its expected useful life, as follows:

- Fixtures, fittings and equipment                      3 to 10 years
- Leasehold improvements                                      5 to 20 years

Depreciation is provided in full in the year of acquisition.

Expenditure of a capital nature below £500 are not capitalised.

**1.7 Debtors**

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

**1.8 Creditors and provisions**

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

**1.9 Fund accounting**

The charitable trust funds of the School are accounted for as unrestricted or restricted income

**Unrestricted** income belongs to the Schools' corporate reserves, spendable at the discretion of the Trustees either to further the School's Objects or to benefit the School itself. Where the Trustees decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

**Restricted** income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**ACCOUNTING POLICIES (continued)**

**1.10 Pension costs**

Retirement benefits to employees of the School who are teachers are provided through a defined benefit scheme. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the Schools' share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The Schools' contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

**1.11 Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**1.12 Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

**1.13 Cash at Bank and in hand**

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

**2. CHARITABLE ACTIVITIES – FEES RECEIVABLE**

	2020	2019
	£	£
<b>Fees receivable consist of:</b>		
School fees	<b>4,799,294</b>	5,980,722
Less: total scholarships and bursaries	<b><u>(926,053)</u></b>	<u>(1,108,251)</u>
	<b><u>3,873,871</u></b>	<u>4,872,471</u>

Scholarships, bursaries and other awards were paid to 188 pupils (2019: 184). Within this means-tested bursaries totalling £193,537 were paid to 60 pupils (2019: £219k to 38 pupils).

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

<b>3. CHARITABLE ACTIVITIES – OTHER INCOME</b>	<b>2020</b>	<i>2019</i>
	£	£
Extras	<b>147,496</b>	251,898
Entrance and registration fees	<b>40,756</b>	43,201
Excursions	-	18,348
Commissions and other income	<b><u>9,514</u></b>	<u>91,768</u>
	<b><u>197,766</u></b>	<u>405,215</u>
<b>4. OTHER TRADING ACTIVITIES</b>	<b>2020</b>	<i>2019</i>
	£	£
<b>Other activities</b>		
Lettings	<b>1,920</b>	5,799
Other	<b><u>5,320</u></b>	<u>7,438</u>
	<b><u>7,240</u></b>	<u>13,237</u>
<b>5. BANK AND OTHER INTEREST</b>	<b>Total</b>	<i>Total</i>
	<b>2020</b>	<i>2019</i>
	£	£
Bank interest	<b><u>3,977</u></b>	<u>5,290</u>
<b>6. GRANTS AND DONATIONS RECEIVABLE</b>	<b>Total</b>	<i>Total</i>
	<b>2020</b>	<i>2019</i>
	£	£
Other donations	<b><u>1,000</u></b>	<u>248</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**7. ANALYSIS OF EXPENDITURE**

**(a) Total expenditure**

	Staff costs	Depreciation	Other	Total	<i>Total</i>
	(note 9)	(note 10)		2020	2019
	£	£	£	£	£
<b>Costs of generating funds</b>					
Financing costs (note 8)	-	-	<u>164,705</u>	<b><u>164,705</u></b>	<u>96,123</u>
<b>Total costs of generating funds</b>	<u>-</u>	<u>-</u>	<u>164,705</u>	<b><u>164,705</u></b>	<u>96,231</u>
<b>Charitable expenditure</b>					
<b><i>Education</i></b>					
Teaching	2,707,236	-	254,328	<b>2,961,564</b>	3,249,008
Welfare	-	-	219,764	<b>219,764</b>	254,880
Premises	327,613	225,405	361,969	<b>914,987</b>	906,641
Support costs and governance	231,685	-	67,270	<b>298,955</b>	621,449
<b>Total charitable expenditure</b>	<u>3,266,534</u>	<u>225,405</u>	<u>903,331</u>	<b><u>4,395,270</u></b>	<u>5,031,978</u>
<b>Total expended</b>	<u>3,266,534</u>	<u>225,405</u>	<u>1,068,036</u>	<b><u>4,559,975</u></b>	<u>5,128,101</u>

	Staff costs	Depreciation	Other	Total	<i>Total</i>
	(note 9)	(note 10)		2020	2019
	£	£	£	£	£
<b>Costs of generating funds</b>					
Financing costs (note 8)	-	-	<u>164,705</u>	<u>164,705</u>	<u>96,123</u>
<b>Total costs of generating funds</b>	<u>-</u>	<u>-</u>	<u>164,705</u>	<u>164,705</u>	<u>96,123</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

7. ANALYSIS OF EXPENDITURE (CONTINUED)	2020	2019
<b>(b) Governance included in support costs:</b>		
	£	£
Remuneration paid to auditor for audit services	13,547	13,333
Other governance costs	<u>66,090</u>	<u>45,343</u>
	<u>79,637</u>	<u>58,676</u>
<b>8. FINANCE AND OTHER COSTS</b>	<b>2020</b>	<b>2019</b>
	£	£
Bank charges	8,317	10,322
Bad and doubtful debts	<u>156,388</u>	<u>85,801</u>
	<u>164,705</u>	<u>96,123</u>
<b>9. STAFF COSTS</b>	<b>2020</b>	<b>2019</b>
	£	£
The aggregate payroll costs for the year were as follows:		
Wages and salaries	2,552,619	2,953,186
Social security costs	251,759	269,049
Other pension costs	<u>460,976</u>	<u>328,420</u>
	<b>3,265,354</b>	<b>3,550,655</b>
Supply staff costs	1,180	3,023
Staff restructuring costs	<u>-</u>	<u>300</u>
	<u>3,266,534</u>	<u>3,553,978</u>
None of the members of the governing body received any remuneration or other benefits from Priory School or from any connected body.		
Travel expenses reclaimed by members of the governing body – Nil (2019: Nil).		
Aggregate employee-benefits of key management personnel	<u>534,157</u>	<u>501,230</u>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**9. STAFF COSTS (CONTINUED)**

	<b>2020</b>	<i>2019</i>
Number of higher paid employees in taxable emoluments bands of: £120,001 to £130,000	<u>1</u>	<u>1</u>
 The number with retirement benefits accruing - in Defined Benefit schemes was	 1	 1
 of which contributions amounted to	 <b><u>£29,792</u></b>	 <i><u>£20,631</u></i>

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

	<b>2020</b>	<i>2019</i>
Teaching	<b>88</b>	<i>90</i>
Other activities	<b><u>25</u></b>	<i><u>26</u></i>
	<b><u>113</u></b>	<i><u>116</u></i>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**10. TANGIBLE FIXED ASSETS**

	Leasehold Improvements £	Fixtures, Fittings & Equipment £	Total £
<b>Cost</b>			
At 1 September 2019	2,001,228	690,057	<b>2,691,285</b>
Additions	34,747	-	<b>34,747</b>
Disposals	-	-	-
Transfers	<u>2,035,975</u>	<u>690,057</u>	<u>-</u>
<b>At 31 August 2020</b>			
<b>Depreciation</b>			
At 1 September 2019	<u>617,653</u>	<u>522,454</u>	<b>1,140,107</b>
Charge for the year	181,187	44,218	<b>225,405</b>
Disposals	<u>-</u>	<u>-</u>	<u>-</u>
<b>At 31 August 2020</b>	<u>798,840</u>	<u>566,672</u>	<b>1,365,512</b>
<b>Net book value</b>			
<b>At 31 August 2020</b>	<u>1,237,135</u>	<u>123,385</u>	<b>1,360,520</b>
<i>At 31 August 2019</i>	<u>1,383,575</u>	<u>167,603</u>	<b>1,551,178</b>

**11. DEBTORS**

	2020 £	2019 £
Trade debtors	<b>269,833</b>	374,901
Other debtors	<b>17,977</b>	24,652
Prepayments and accrued income	<b>178,465</b>	25,290
	<b><u>466,275</u></b>	<b><u>424,843</u></b>

An impairment loss of £156,387 (2019: £85,801) was recognised against the School Fees debtor in the SOFA during the year.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**12. CREDITORS: amounts falling due within one year**

	2020	2019
	£	£
Deposits from parents	(138,386)	(139,581)
Deferred income	(289,115)	(295,921)
Trade creditors	1,968	(103,509)
Taxes and Social Security Cost	(63,710)	(70,982)
Accruals and other creditors	<u>(111,026)</u>	<u>(85,997)</u>
	<b><u>(600,269)</u></b>	<b><u>(695,990)</u></b>

The Governors have reviewed the contract terms under which Pupil fee deposits are held by the school. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The school does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August 2020 have been included within current liabilities. The prior year Pupil fee deposits balance has been similarly represented.

**13. DEFERRED INCOME**

<b>Summary of movements in liability</b>	£
Balance at 1 September 2019	295,921
Amounts released to incoming resources	(295,132)
Amounts deferred in the year	289,115
<b>Balance at 31 August 2020</b>	<b><u>289,904</u></b>

Deferred income comprises school fees received in advance.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**14. FINANCIAL INSTRUMENTS**

Investment income for financial assets measured at fair value through income and expenditure amounted to £3,977 (2019: £5,290).

**15. OPERATING LEASES**

The commitments due over the life of the leases, under non-cancellable operating leases are analysed as follows:

	<b>2020</b>	<i>2019</i>
< 1 year	<b>23,482</b>	<i>19,852</i>
2 – 5 years	<b>43,326</b>	<i>66,910</i>
> 5 years	<b><u>175,500</u></b>	<i><u>175,500</u></i>
Total	<b><u>242,308</u></b>	<i><u>262,262</u></i>

The operating lease expense charged in the year was £23,756 (2019: £19,457).

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**16. STATEMENT OF FUNDS**

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Transfers between funds £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>					
General funds	2,123,417	4,083,854	(4,559,975)	-	<b>1,647,296</b>
<b>Total Funds</b>	<b><u>2,123,417</u></b>	<b><u>4,083,854</u></b>	<b><u>(4,559,975)</u></b>	<b><u>-</u></b>	<b><u>1,647,296</u></b>

STATEMENT OF FUNDS – PRIOR YEAR

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Transfers between funds £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>					
General funds	1,955,057	5,296,461	(5,128,101)	-	2,123,417
	<u>1,955,057</u>	<u>5,296,461</u>	<u>(5,128,101)</u>	<u>-</u>	<u>2,123,417</u>

**SUMMARY OF FUNDS**

	At 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	At 31 August 2020 £
<b>Unrestricted funds</b>	<u>2,123,417</u>	-	(476,121)	-	<b><u>1,647,296</u></b>
<b>Total Funds</b>	<b><u>2,123,417</u></b>	<b><u>-</u></b>	<b><u>(476,121)</u></b>	<b><u>-</u></b>	<b><u>1,647,296</u></b>

SUMMARY OF FUNDS – PRIOR YEAR

	At 1 September 2018 £	Incoming resources £	Resources expended £	Transfers £	At 31 August 2019 £
<b>Unrestricted funds</b>	<u>1,955,057</u>	<u>168,360</u>	-	-	<u>2,123,417</u>
<b>Total Funds</b>	<b><u>1,955,057</u></b>	<b><u>168,360</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>2,123,417</u></b>

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

	<b>Unrestricted</b>	<b>Total</b>
	£	£
Fund balances at 31 August 2020 are represented by:		
Tangible fixed assets	1,360,520	<b>1,360,520</b>
Current assets	887,045	<b>887,045</b>
Current liabilities	(600,269)	<b>(600,269)</b>
	<u>1,647,296</u>	<u><b>1,647,296</b></u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Unrestricted	Total
	£	£
Fund balances at 31 August 2019 are represented by:		
Tangible fixed assets	1,551,178	1,551,178
Current assets	1,268,229	1,268,229
Current liabilities	(695,990)	(695,990)
	<u>2,123,417</u>	<u>2,123,417</u>

**18. PENSION SCHEMES**

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £400,027(2019: £300,007) and at the year-end £36,117 (2019: £25,983) 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 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set 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.

**PRIORY SCHOOL EDGBASTON TRUSTEES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**18. PENSION SCHEMES (CONTINUED)**

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The 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.

**19. RELATED PARTY TRANSACTIONS**

There were no related party transactions in the year.