

Charity Registration No. 526973

Company Registration No. 00914963 (England and Wales)

WINDERMERE EDUCATIONAL TRUST LIMITED

T/A WINDERMERE SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|--------------------------|---|--|
| Governors | A Chamberlain J Dearden S Hamilton A Hodson C Rickart A Roberts P Hogan C Kenny | (Appointed 7 October 2020) (Appointed 6 May 2020) (Appointed 7 October 2020) (Appointed 5 May 2021) (Appointed 5 May 2021) |
| Secretary | S Ross | |
| Charity number | 526973 | |
| Company number | 00914963 | |
| Principal address | T/a Windermere School and Windermere Preparatory School Browhead Windermere Cumbria LA23 1NW | |
| Registered office | T/a Windermere School and Windermere Preparatory School Browhead Windermere Cumbria LA23 1NW | |
| Auditor | Jackson Stephen LLP James House Stonecross Business Park Yew Tree Way Warrington Cheshire WA3 3JD | |
| Bankers | HSBC Bank plc 64 Highgate Cumbria Kendal LA9 4TF | |

WINDERMERE EDUCATIONAL TRUST LIMITED

T/A WINDERMERE SCHOOL

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WINDERMERE EDUCATIONAL TRUST LIMITED

T/A WINDERMERE SCHOOL

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The Governors of Windermere Educational Trust Limited present their annual report and audited accounts for the year ended 31 August 2020 and confirm they comply with the requirements of the Charities Act 2016, the Charities SORP (FRS 102) and the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE INFORMATION

Windermere Educational Trust Limited ("The Trust") was founded in 1863 in Lytham St Anne's. It is constituted as a Company Limited by Guarantee, registered in England and Wales, no. 00914963, and is registered with the Charities Commission under Charity No. 526973.

The Trust operates on three sites known as Windermere School, the Browhead Campus, for those in Year 7 and above, the Elleray Campus, for pupils in Pre-School to Year 6 and Hodge Howe, our Sailing and Outdoors Centre on the shore of Windermere. The Trust also operates under the trading name Windermere International Summer School.

There is one Governing Body. Details of the members of the Governing Body, together with the Trust's officers and principal advisors, are given on the legal and administrative information page.

COVID 19

The global pandemic which became known to the School in early 2020 has had a significant impact on the School, as it has on every other school, business and household in the country. The scale and speed of the changes imposed upon the nation could not have been foreseen, nor could the constantly evolving guidance and control measures which followed, and which are still in place at the time of writing. It has been an unprecedented year, and one which has affected every aspect of School life. It is testament to the resilience and adaptability of the leadership and staff that the School has continued to thrive academically. The pandemic is not over yet, and the effect will be felt for some time to come. It is likely that the post-pandemic world will be different in many ways, and the Governing Body and Leadership are mindful that the School will need to adapt to the new future.

The pandemic had a significant financial impact on the School, and this will be apparent in the reading of these accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The Trust is governed by its Memorandum of Association and Articles of Association last amended on 20 January 2017.

Governing Body

The Governing Body is self-appointed with one third of its members required to retire by rotation at each AGM. The first appointed, or longest serving since last reappointment, are the first to retire. Governors retiring by rotation can be re-elected.

New members of a Governing Body are elected on the basis of nominations of the Governors and the executive officers based on the candidates' professional qualities, experience, personal competence and local availability.

Recruitment and Training of Governors

New Governors are inducted into the workings of the Trust, including Governing Body policy and procedures, at a series of induction meetings specially organised for them by the Head, the Clerk and other Governors. Governors carry out an annual skills audit and undertake to procure additional support or training to ensure the appropriate skills remain available to assist the School in meeting its strategic and operational objectives.

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Organisational Structure

The Members of the Governing Body, as the Charity Trustees, are legally responsible for the overall management and control of the Trust. In normal times, the Governing Body meets between four and six times a year. The need for meetings increased during 2020 from the onset of the Covid-19 pandemic, and as such there were 17 meetings during the year to 31 August 2020.

The work of implementing their policies is carried out by four Committees:

The Finance and General Purposes Committee scrutinise revenue, the budget, capital expenditure and monitor financial risk. This Committee also supervise and finalise the audited financial statements and annual report for approval by the Governing Body. The Finance and General Purposes Committee is chaired by Mr J Dearden and reports to the Governing Body at each board meeting.

The Nominations Committee, chaired by Mrs C Burrow until her resignation and then by Mrs A Roberts, oversees the orderly succession for appointments to the Board and senior management.

The Estates Committee meet when required to discuss the capital plan and the current curriculum and boarding needs.

The Risk Management Group monitors the strategic risks facing the Trust. The group is chaired by the Operations Manager, and reports into the Board at each meeting via Mrs A Hodson.

Some governors have delegated responsibilities. For example, Mrs S Hamilton (previously Mrs J Harris until her resignation) oversees all aspects of Safeguarding and Mrs A Roberts (previously Mrs A Hodson) oversees the Early Years Provision.

The Chair of each committee co-opt members of the Governing Body and any additional external expertise they deem appropriate for matters under consideration by each committee.

The day to day running of the school is delegated to the Headmaster supported by the Senior Management Team and Senior Leadership Team. The Headmaster attends all meetings of the Governing Body's Committees with the exception of the Nominations Committee.

Post year end the following committees were formed:

The Education Committee, chaired by Mr C Rickart, reviews academic provision and performance, and meets at least three times per year.

The Marketing Committee, also chaired by Mr C Rickart, monitors the recruitment of new pupils through marketing and admissions initiatives.

Employment Policy

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests.

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Trust Management

The Governors give consideration to the major risks to which the Trust is exposed. The Governing Body has ultimate responsibility for managing any risks faced by the Trust. Detailed consideration of risks is delegated to the appropriate subcommittee. The structure of these committees comprises appropriate membership from the Governing Body, assisted by the School's Senior Management and Leadership Teams and any external expertise that may be required from time to time.

The Trust management process and the resulting reports identify risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high.

The generic controls used by the Trust to minimise risks include:

- Terms of reference for each committee and Trust 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 children.

Health and safety is always a significant area for Risk Management. The risks range from fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions), and more recently contagion risk. The level and breadth of activity at the Trust Schools is impressive and the risks associated with all activities are minimised by employing a competent and qualified Operations Manager, and a trained Educational Visits Coordinator. The Board used Kym Allen Associates to advise on Health & Safety and Educational Visits throughout 2019/20.

During 2020, financial risks became high on the Board's agenda, and this was monitored frequently during the year.

The Governing Body is satisfied that for all major risks identified, appropriate controls have been put in place and maintained to mitigate those risks adequately. It is recognised that systems can provide only reasonable but not absolute assurance that major risks have been managed.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The Trust's Objects, as set out in the Memorandum of Association, are the advancement of education by providing general instruction of the highest class, together with physical and moral guidance in the School's management by the Trust. In furtherance of these Objects and for the public benefit, the Trust has established and administers bursaries, scholarships, awards and other benefactions, and acts as the Trustee and Manager of endowments, bequests and gifts given or established in pursuance of these Objects.

The Board is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2016. In this regard, the Board has monitored closely the supplemental guidance produced by the Charity Commission, in particular its public benefit guidance on advancement of education and on fee charging. Despite a continuing difficult economic climate the Trust has again exceeded £1.2m of support provided by way of bursary, discount or financial support.

Vision

To be the best small school in Britain.

WINDERMERE EDUCATIONAL TRUST LIMITED

T/A WINDERMERE SCHOOL

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Mission Statement

The Trust's mission is to produce confident and compassionate people. Through teaching excellence, supportive pastoral care and experience of our environment, we encourage individual success for community good.

Our vision and mission are shaped by our determination to encourage self-knowledge, articulated by our school motto: Vincit qui se vincit – One conquers who conquers oneself. Today that means: overcome yourself and you will achieve.

The School challenges pupils to excel, to have sufficient self-reliance to know that determination can overcome adversity, and to be of value to society.

Intended Impact

Within its charitable Objects, the Trust's intention is to provide a first-class education through strong academic tuition and by developing broader skills that enable every pupil to realise his or her potential to the full. This involves emphasis on the co-curriculum through cerebral, sporting, artistic, team-building and social skills. This policy builds self-confidence and life skills in our pupils and inculcates a desire to learn and a willingness to contribute to the wider community whilst at school and in later life.

Aims

The Trust's aims for the public benefit are to:

1. Inspire our pupils through a broad and balanced curriculum that challenges inside and outside the classroom, where they learn about their strengths and weaknesses, and are encouraged to strive for **excellence** in all things;
2. Support our pupils to develop their **individual** academic, creative and sporting talents and skills of leadership to enable and empower them to make an active and real contribution to their world;
3. Use our **unique** location at the heart of mountains, lakes and rivers as our greater classroom for adventure and adventurous learning, where our pupils will learn directly about the environment, each other and themselves;
4. Foster a **democratic** and accountable culture where our pupils contribute fully to school and community life and take increasing responsibility for their own learning and actions;
5. Encourage a **global** perspective by providing opportunities for all our pupils irrespective of gender, race and beliefs and encouraging them to value and respect differences.

Strategies to Achieve the Aims

The Governors began a major review of Strategy in 2018 resulting in the '5 Year Strategic Plan 2018-2023' which was shared with employees and parents in 2019. The Plan created a roadmap for development under the four main areas of Curriculum, Community, Estates and Funding, broken down into a series of Initiatives, each with a Governor Sponsor and an Owner from the Senior Management Teams.

Examples of initiatives currently in the plan are:

Curriculum – Further development of Pupil Pathways, a focus on Experiential Learning outside the classroom and a review of the provision of Adventure, Special Educational Needs & Disabilities and the Able Gifted and Talented program.

Community – Partnerships with Charities and Community Groups, a public lecture series and strengthening mentoring and exchange programs.

Estates – Development of the extensive estate to the best advantage of pupils.

Funding – Development of the International Summer School, a review of the fee discount model and Fundraising.

Clearly 2020 has been an unusual year, and the focus has largely been on the route back to normal operations, rather than on the furtherance of the initiatives above. Once the School has returned to normality, the Strategy will be reviewed and refreshed.

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Principal Activity

The Trust's principal activity, as specified in the Memorandum of Association, is the advancement of education.

Public Benefit

Windermere Educational Trust Limited remains committed to the aim of providing public benefit in accordance with its founding principles. Charity law has recently introduced a requirement to demonstrate that public benefit for charitable purposes where it has hitherto been presumed in the absence of evidence to the contrary. This in turn calls for more detailed disclosures concerning our aims.

The awarding of bursaries for the needy is a measurable means of providing public benefit. The Board takes the view that bursaries awarded to those who would not otherwise be able to afford the fees are important, but not to the exclusion of the much wider benefit that the Trust provides within the community. Those pupils who attend our Schools and who receive financial support contribute to the School community in a variety of ways, and so the benefit is not purely to these pupils but to the Trust and, in some cases, to the wider community. In 2019/20 the Trust awarded bursaries, scholarships and other awards totalling £1.2m (2019: £1.4m). Within this, means-tested awards based on a sliding scale according to financial circumstances totalling £558k were awarded to 69 pupils, including 3 for full fees (2019: 82 bursaries totalling £671k). Bursary awards represented 8.1% of gross income in 2020 (2019: 8.8%).

In addition to bursaries, the Trust has engaged in many other activities that provide benefit to the public within the Trust's objectives. It is difficult to measure accurately the financial value of this public benefit. The benefit provided by bursaries and other activities can then be considered alongside the benefit of educating the 280 UK pupils which, in itself, has saved the exchequer some £1.6m.

The Trust is an important part of the local community with 127 full and part-time employees in 2019/20 making it one of the largest employers in the district. By far the largest proportion of the Trust's expenditure is accounted for by salaries and purchases from local and regional businesses. Thus a significant proportion of funds are invested directly into the local economy.

Other Charitable Activities

In addition to its primary purpose, in normal years the Trust provides a number of services and experiences to local primary schools free of charge. These include a 'Chemical Magic' Show, Watersports Day, Languages Day and Geography Day, in addition to hosting an annual Cross-County Event for 26 local primary schools. Sailing and Watersports tuition at the School's lake shore Watersports Centre is provided on a weekly basis to two local primary schools at minimal charge, and the Trust also provides a high quality School Meals Service to two other schools.

The Trust also frequently lets the School's facilities at no charge to local community or charitable groups such as the Community Choir, Rotary Club, County Sports Associations and Blackwell Sailing who provide free of charge sailing activities for those with a disability.

Pupils also make significant contributions to the local community and charities. The School runs a Service programme for Years 10 and 11, where pupils engage in a variety of activities for one afternoon per fortnight for the benefit of the local community. Examples of activities undertaken include repairing footpaths on the fells, conservation work in the grounds of a local visitors' centre, assisting at the local food bank and visits to the residents of local care homes.

Clearly many of these events and services were disrupted during the year due to the pandemic, but the School fully intends to reinstate all the community links and activities as soon as it is able to.

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

STRATEGIC REPORT ACHIEVEMENTS AND PERFORMANCE

Academic

Due to the pandemic, students did not sit examinations as usual and their grades were assessed by teachers based on the grades staff felt students would have achieved if the pandemic had not hit.

In 2020 the Trust celebrated impressive GCSE and IGCSE results with 98% (2019: 92%) of pupils obtaining 5 or more level 4-9 / A* - C GCSEs, and 53.3% (2019: 45.9%) of grades were either A* or A.

With regards to the International Baccalaureate, the School achieved a pass rate of 94.7% (2019 – 100%). The two students who did not achieve their Diploma were anticipated and had a planned pathway with Windermere School or a secured place at university. The average score was 34.4 (2019: 34.04) out of a possible 45, against a 2020 world average of 29.92. 34 points is equivalent to obtaining AAB at A Level. 57.9% of the cohort achieved 34 points or more, and 7 pupils (18.4%) gained 40 points or more (equivalent to 3 A*s at A Level). Results for the IB Career-related Programme were again particularly impressive; four students achieved D*D*, which is the highest number of students achieving a maximum score the School has ever had. This grade is equivalent to achieving a A*A* grade at A level.

Co-curricular Activities

The School encourages sport for all whilst supporting those pupils aiming to excel. During normal times the School has a full program of sporting and Outdoor Adventure activities, trips and fixtures, including Hockey, Football, Netball, Basketball, Cross-Country, Table Tennis, Cricket, Tennis, Athletics, Rounders, Climbing, Adventure Racing, Sailing, Canoeing and Windsurfing. During the pandemic many of the fixtures and trips were disrupted, however, these will resume as soon as the rules allow.

The School's Outdoor Education provision was described by the ISI Inspection Report as exceptional, and continues to be the only recognised British Youth Sailing Club in the UK.

FUTURE PLANS

The core elements of the Trust's Development Plan are:

- To continue to ensure the campuses offer a safe and attractive environment for pupils, staff and visitors;
- To provide a happy and secure pastoral environment, suitable for both day and boarding pupils, in which all pupils are offered opportunities for leadership and service to others;
- To provide a stimulating learning environment in which pupils can develop their academic potential to the full;
- To offer all pupils the opportunities of experiencing a broad range of intellectual, cultural, sporting and wider-community activities;
- To increase the capability of the Trust to offer education to children whose parents are unable to afford full fees;
- To provide an enjoyable and appropriately challenging environment within which members of staff may develop their careers;
- To ensure that the Trust plays a significant part in the life of the local community, sharing facilities and seeking local partnerships wherever possible.

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

FINANCIAL REVIEW

Results for the year

Net fee income decreased by 9.97% to £5,526k (2019: £6,138k) largely due to a reduction in boarding income during the Summer Term. Total income was down by 9.73% to £6,025k (2019: £6,675k) on account of no Summer School income, offset by monies received from the government's Coronavirus Job Retention Scheme. Costs reduced by 5.56% from the previous year coming in at £6,258k (2019: £6,626k) largely as there were no Summer School running costs, but also due to cost saving measures in all areas. Net expenditure for the year was £233k (2019: net income of £49k). Depreciation costs of £203k (2019: £202k) are included in the cost figures above.

Reserves Policy

The Trust's free reserves at the year-end amounted to £548k (2019: £784k) representing retained unrestricted income reserves. The Trust has adopted a policy of maintaining free reserves at a level to provide reasonable cover for operating costs with any surplus to be re-invested into improvement of the estates and school facilities.

Fixed Assets

Tangible fixed assets are held by the Trust for use by the School although there are some properties that could be divested should the need arise. Note 1.6 describes the Trust's accounting policy in relation to fixed assets.

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Statement of Governors' responsibilities

The Governors, who are also the directors of Windermere Educational Trust Limited for the purpose of company law, are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the Governors are required to:

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

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

The Governors, who served during the year and up to the date of signature of the financial statements were:

| | |
|---------------|-----------------------------|
| A Chamberlain | |
| J Dearden | |
| C Burrow | (Resigned 31 December 2020) |
| S Hamilton | (Appointed 7 October 2020) |
| J Harris | (Resigned 5 March 2021) |
| A Hodson | |
| C Rickart | (Appointed 6 May 2020) |
| A Roberts | (Appointed 7 October 2020) |
| A Smith | (Resigned 10 March 2021) |
| P Hogan | (Appointed 5 May 2021) |
| C Kenny | (Appointed 5 May 2021) |

Auditor

The auditor, Jackson Stephen LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditor

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

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

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

A Chamberlain

Chairman of Governing Body

Dated: 6 May 2021

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
INDEPENDENT AUDITOR'S REPORT
TO THE GOVERNORS OF WINDERMERE EDUCATIONAL TRUST LIMITED

Opinion

We have audited the financial statements of Windermere Educational Trust Limited (the 'Trust') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information. 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.

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

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE GOVERNORS OF WINDERMERE EDUCATIONAL TRUST LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Governors' 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 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 Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Governors' report and from the requirement to prepare a strategic report.

Responsibilities of Governors

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

In preparing the financial statements, the Governors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE GOVERNORS OF WINDERMERE EDUCATIONAL TRUST LIMITED**

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Atkinson F.C.A. (Senior Statutory Auditor)
for and on behalf of Jackson Stephen LLP

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Chartered Accountants
Statutory Auditor

James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2020

Current financial year

| | | Unrestricted funds general 2020 £ | Unrestricted funds designated 2020 £ | Restricted funds 2020 £ | Total 2020 £ | Total 2019 £ |
|---|--------------|--|---|--|-----------------------------|-----------------------------|
| | Notes | | | | | |
| <u>Income from:</u> | | | | | | |
| Donations and legacies | 3 | 4,917 | - | 24,034 | 28,951 | 6,520 |
| Charitable activities | 4 | 5,964,316 | - | - | 5,964,316 | 6,279,575 |
| Other trading activities | 5 | 31,653 | - | - | 31,653 | 388,771 |
| Total income | | 6,000,886 | - | 24,034 | 6,024,920 | 6,674,866 |
| <u>Expenditure on:</u> | | | | | | |
| Raising funds | 6 | 65,187 | - | - | 65,187 | 242,543 |
| Charitable activities | 7 | 6,024,362 | - | 21,856 | 6,046,218 | 6,229,249 |
| Other | 12 | 146,882 | - | - | 146,882 | 154,251 |
| Total resources expended | | 6,236,431 | - | 21,856 | 6,258,287 | 6,626,043 |
| Net (expenditure)/income for the year/ Net movement in funds | | (235,545) | - | 2,178 | (233,367) | 48,823 |
| Fund balances at 1 September 2019 | | 783,915 | 20,047,615 | - | 20,831,530 | 20,782,707 |
| Fund balances at 31 August 2020 | | 548,370 | 20,047,615 | 2,178 | 20,598,163 | 20,831,530 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

Net (expenditure)/ income before depreciation for the year totalled £(30,248) (2019: £250,961).

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2020

Prior financial year

| | | Unrestricted funds general 2019 £ | Unrestricted funds designated 2019 £ | Total 2019 £ |
|---|-------|--|---|--------------------|
| | Notes | | | |
| <u>Income from:</u> | | | | |
| Donations and legacies | 3 | 6,520 | - | 6,520 |
| Charitable activities | 4 | 6,279,575 | - | 6,279,575 |
| Other trading activities | 5 | 388,771 | - | 388,771 |
| Total income | | 6,674,866 | - | 6,674,866 |
| <u>Expenditure on:</u> | | | | |
| Raising funds | 6 | 242,543 | - | 242,543 |
| Charitable activities | 7 | 6,229,249 | - | 6,229,249 |
| Other | 12 | 154,251 | - | 154,251 |
| Total resources expended | | 6,626,043 | - | 6,626,043 |
| Net (expenditure)/income for the year/ Net movement in funds | | 48,823 | - | 48,823 |
| Fund balances at 1 September 2018 | | 735,092 | 20,047,615 | 20,782,707 |
| Fund balances at 31 August 2019 | | 783,915 | 20,047,615 | 20,831,530 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
BALANCE SHEET
AS AT 31 AUGUST 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|--|-------|-------------|---|-------------|---|
| Fixed assets | | | | | |
| Tangible assets | 13 | 25,381,940 | | 25,495,970 | |
| Current assets | | | | | |
| Stocks | 14 | 5,153 | | 6,235 | |
| Debtors | 15 | 150,457 | | 133,573 | |
| Cash at bank and in hand | | 378,481 | | 1,163,558 | |
| | | 534,091 | | 1,303,366 | |
| Creditors: amounts falling due within one year | 17 | (2,708,748) | | (3,260,071) | |
| Net current liabilities | | (2,174,657) | | (1,956,705) | |
| Total assets less current liabilities | | 23,207,283 | | 23,539,265 | |
| Creditors: amounts falling due after more than one year | 18 | (2,609,120) | | (2,707,735) | |
| Net assets | | 20,598,163 | | 20,831,530 | |
| Income funds | | | | | |
| Restricted funds | 19 | 2,178 | | - | |
| Designated funds | | 20,047,615 | | 20,047,615 | |
| Unrestricted funds - general | | 548,370 | | 783,915 | |
| | | 20,598,163 | | 20,831,530 | |

The financial statements were approved by the Governors on 6 May 2021

A Chamberlain
Trustee

Company Registration No. 00914963

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|-----------|-----------|-----------|-----------|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 25 | | 45,287 | | 274,107 |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (88,492) | | (160,281) | |
| Interest paid | | (146,882) | | (154,251) | |
| Net cash used in investing activities | | | (235,374) | | (314,532) |
| Financing activities | | | | | |
| Fees in advance scheme | | (482,636) | | 504,182 | |
| Repayment of bank loans | | (112,354) | | (171,652) | |
| Net cash (used in)/generated from financing activities | | | (594,990) | | 332,530 |
| Net (decrease)/increase in cash and cash equivalents | | | (785,077) | | 292,105 |
| Cash and cash equivalents at beginning of year | | | 1,163,558 | | 871,453 |
| Cash and cash equivalents at end of year | | | 378,481 | | 1,163,558 |

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Charity information

Windermere Educational Trust Limited is a private company limited by guarantee incorporated in England and Wales and a registered charity in England and Wales. The registered office is Browhead, Windermere, Cumbria, LA23 1NW.

1.1 Accounting convention

The accounts have been prepared in accordance with the Trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Trust is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying the goods and services in order to raise funds and is recognised when entitlement has occurred.

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes all costs associated with raising funds for its charitable purposes and includes all costs associated with non-charitable trading;
- Expenditure on charitable activities includes costs associated with UK educational operations; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.6 Tangible fixed assets

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

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

| | |
|----------------------------------|--|
| Freehold buildings | 0% - 2% per annum straight line basis |
| Fixtures, fittings and equipment | 10% to 33.3% per annum straight line basis |
| Motor vehicles | 25% per annum straight line basis |

No provision for depreciation of school buildings is made as the trust considers that the estimated useful life of the buildings is so long and the residual value so high that any depreciation charged is not material, either each year or cumulatively over the useful economic life of the asset.

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

1.7 Impairment of fixed assets

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

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.10 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Trust transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

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

1.11 Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.12 Employee benefits

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

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

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.13 Pension benefits

Retirement benefits to employees of the charitable company are provided by the Teachers' Pension Scheme ('TPS') and The Pension Trust Growth Plan. These are defined benefit schemes and the assets are held separately from those of the charitable company.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the charitable company in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

For The Pension Trust Growth Plan, the contributions are determined by a qualified actuary on the basis of financial valuations using a projected unit method. The Pension Trust Growth Plan is a multi-employer scheme and there is sufficient information available to unlock detailed benefit accounts. The plan is therefore treated as a defined contribution scheme for accounting purposes and contributions are recognised in the period to which they relate.

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The trustees have considered the residual value and remaining useful economic life of the land and buildings and consider that the assumptions in arriving at these values are reasonable.

Depreciation policies have also been considered again this year and are deemed reasonable.

The assumptions regarding the treatment of the Trust's pension schemes within the financial statements have also been considered again this year, with no adjustment to their treatment considered necessary.

3 Donations and legacies

| | Unrestricted funds general | Restricted funds | Total | Unrestricted funds general |
|---------------------|----------------------------------|---------------------|--------|----------------------------------|
| | 2020 | 2020 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Donations and gifts | 4,917 | 24,034 | 28,951 | 6,520 |

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

4 Charitable activities

| | Unrestricted funds 2020 £ | Unrestricted funds 2019 £ |
|--------------|--|--|
| Net fees | 5,526,195 | 6,137,950 |
| Other income | 438,121 | 141,625 |
| | <u>5,964,316</u> | <u>6,279,575</u> |

5 Other trading activities

| | Unrestricted funds general 2020 £ | Unrestricted funds general 2019 £ |
|--------------------------|--|--|
| Summer school | - | 296,859 |
| Rental income | 1,825 | 6,487 |
| Catering income | 29,828 | 85,425 |
| Other trading activities | <u>31,653</u> | <u>388,771</u> |

6 Raising funds

| | Unrestricted funds general £ | Unrestricted funds general £ |
|--------------------------------|---|---|
| Associated summer school costs | 47,765 | 181,080 |
| Associated catering costs | 17,422 | 61,463 |
| | <u>65,187</u> | <u>242,543</u> |

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

7 Charitable activities

| | 2020 | 2019 |
|-------------------------------------|------------------|------------------|
| | £ | £ |
| Depreciation and impairment | 202,522 | 202,158 |
| Academic costs | 3,332,494 | 3,370,614 |
| Welfare costs | 801,866 | 877,946 |
| Property costs | 715,559 | 819,435 |
| Management and administration costs | 679,036 | 698,943 |
| Other expenses | 104,937 | 45,107 |
| Marketing costs | 196,245 | 203,210 |
| Governance costs | 13,559 | 11,836 |
| | <u>6,046,218</u> | <u>6,229,249</u> |
| | <u>6,046,218</u> | <u>6,229,249</u> |
| Analysis by fund | | |
| Unrestricted funds - general | 6,024,362 | 6,229,249 |
| Restricted funds | 21,856 | - |
| | <u>6,046,218</u> | <u>6,229,249</u> |

8 Net movement in funds

| | 2020 | 2019 |
|--|----------------|----------------|
| | £ | £ |
| Net movement in funds is stated after charging/(crediting) | | |
| Depreciation of owned tangible fixed assets | <u>202,522</u> | <u>202,158</u> |

9 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

| | 2020 | 2019 |
|------------------------------|--------------|--------------|
| | £ | £ |
| Audit of the annual accounts | <u>8,530</u> | <u>8,365</u> |

10 Governors

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

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

11 Employees

Number of employees

The average monthly number of employees during the year was:

| | 2020 | 2019 |
|-------------------------|---------------|---------------|
| | Number | Number |
| Teaching staff | 72 | 74 |
| Welfare staff | 28 | 30 |
| Maintenance and gardens | 9 | 10 |
| Administrative staff | 18 | 18 |
| | <u>127</u> | <u>132</u> |

Employment costs

| | 2020 | 2019 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 3,464,010 | 3,538,357 |
| Social security costs | 322,335 | 324,887 |
| Other pension costs | 548,687 | 436,163 |
| | <u>4,335,032</u> | <u>4,299,407</u> |

The number of employees whose annual remuneration was £60,000 or more were:

| | 2020 | 2019 |
|---------------------|---------------|---------------|
| | Number | Number |
| £100,001 - £110,000 | <u>1</u> | <u>1</u> |

12 Other

| | Unrestricted funds general 2020 | Unrestricted funds general 2019 |
|---|--|--|
| Loan interest | 40,224 | 50,076 |
| Discounts on the fees in advance scheme | 106,658 | 104,175 |
| | <u>146,882</u> | <u>154,251</u> |

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

13 Tangible fixed assets

| | Freehold buildings | Fixtures, fittings and equipment | Motor vehicles | Total |
|------------------------------------|-----------------------|-------------------------------------|----------------|------------|
| | £ | £ | £ | £ |
| Cost or valuation | | | | |
| At 1 September 2019 | 24,825,920 | 1,623,875 | 24,031 | 26,473,826 |
| Additions | - | 71,948 | 16,544 | 88,492 |
| Disposals | - | (31,671) | (5,487) | (37,158) |
| At 31 August 2020 | 24,825,920 | 1,664,152 | 35,088 | 26,525,160 |
| Depreciation and impairment | | | | |
| At 1 September 2019 | - | 956,187 | 21,669 | 977,856 |
| Depreciation charged in the year | - | 197,097 | 5,425 | 202,522 |
| Eliminated in respect of disposals | - | (31,671) | (5,487) | (37,158) |
| At 31 August 2020 | - | 1,121,613 | 21,607 | 1,143,220 |
| Carrying amount | | | | |
| At 31 August 2020 | 24,825,920 | 542,539 | 13,481 | 25,381,940 |
| At 31 August 2019 | 24,825,920 | 667,688 | 2,362 | 25,495,970 |

The freehold land and buildings have been valued by the Trust on a depreciated replacement cost basis on 31 August 2020.

At 31 August 2020, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £5,170,355 (2019 - £5,170,355).

Included within freehold land and buildings is an amount of £1,755,500 (2019: £1,755,500) attributable to land, which is not depreciated.

14 Stocks

| | 2020 £ | 2019 £ |
|------------|-----------|-----------|
| Food stock | 5,153 | 6,235 |

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

15 Debtors

| | 2020 | 2019 |
|---|----------------|----------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 71,469 | 76,805 |
| Other debtors | 7,152 | 2,370 |
| Prepayments and accrued income | 71,836 | 54,398 |
| | <u>150,457</u> | <u>133,573</u> |

16 Loans and overdrafts

| | 2020 | 2019 |
|---|------------------|------------------|
| | £ | £ |
| Bank loans | <u>1,659,367</u> | <u>1,771,721</u> |
| Payable within one year | 112,647 | 171,653 |
| Payable after one year | <u>1,546,720</u> | <u>1,600,068</u> |
| Amounts included above which fall due after five years: | | |
| Payable by instalments | <u>1,096,131</u> | <u>913,457</u> |

The bank loans are repayable over ten and fifteen years. The loans are subject to an interest rate that is equal to the Bank of England base rate +2%. They are secured upon certain freehold land and buildings held by the School and a fixed and floating charge over other assets.

17 Creditors: amounts falling due within one year

| | 2020 | 2019 |
|------------------------------------|--------------|------------------|
| | £ | £ |
| | Notes | |
| Bank loans | 16 | 112,647 |
| Other taxation and social security | | 229,317 |
| Deferred income | | 644,197 |
| Trade creditors | | 33,804 |
| Other creditors | | 1,619,174 |
| Accruals | | 69,609 |
| | | <u>2,708,748</u> |
| | | <u>3,260,071</u> |

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

18 Creditors: amounts falling due after more than one year

| | Notes | 2020 £ | 2019 £ |
|------------------------------------|-------|------------------|------------------|
| Bank loans | 16 | 1,546,720 | 1,600,068 |
| Other taxation and social security | | 203,569 | - |
| Other creditors | | 858,831 | 1,107,667 |
| | | <u>2,609,120</u> | <u>2,707,735</u> |

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | | Movement in funds | | | |
|------------------|-----------------------------------|----------|-------------|-----------------------------------|---------------|-----------------|---------------------------------|
| | Balance at 1 September 2018 | Income | Expenditure | Balance at 1 September 2019 | Income | Expenditure | Balance at 31 August 2020 |
| | £ | £ | £ | £ | £ | £ | £ |
| Hardship Fund | - | - | - | - | 24,034 | (21,856) | 2,178 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>24,034</u> | <u>(21,856)</u> | <u>2,178</u> |

The Hardship Fund was set up to help parents affected due to Covid-19.

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

20 Analysis of net assets between funds

| | Unrestricted fund 2020 £ | Designated fund 2020 £ | Restricted funds 2020 £ | Total 2020 £ | Unrestricted fund 2019 £ | Designated fund 2019 £ | Total 2019 £ |
|---|---|---|--|-----------------------------|---|---|-----------------------------|
| Fund balances at 31 August 2020 are represented by: | | | | | | | |
| Tangible assets | 5,332,147 | 20,047,615 | 2,178 | 25,381,940 | 5,448,355 | 20,047,615 | 25,495,970 |
| Current assets/(liabilities) | (2,174,657) | - | - | (2,174,657) | (1,956,705) | - | (1,956,705) |
| Long term liabilities | (2,609,120) | - | - | (2,609,120) | (2,707,735) | - | (2,707,735) |
| | <u>548,370</u> | <u>20,047,615</u> | <u>2,178</u> | <u>20,598,163</u> | <u>783,915</u> | <u>20,047,615</u> | <u>20,831,530</u> |

Designated funds relate to the revaluation of fixed assets.

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

21 Operating lease commitments

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

| | 2020 | 2019 |
|----------------------------|---------------|---------------|
| | £ | £ |
| Within one year | 31,202 | 52,310 |
| Between two and five years | 17,146 | 39,731 |
| | <u>48,348</u> | <u>92,041</u> |

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

| | 2020 | 2019 |
|------------------------|----------------|----------------|
| | £ | £ |
| Aggregate compensation | <u>584,551</u> | <u>583,954</u> |

A number of Governors have children who attend the school. The fees paid by those Governors are on the same terms and conditions as are charged to any other parent who does not work at the school.

During the year the school incurred costs from Windermere Wine Stores Limited totalling £769 (2019: £1,493). J Harris is a director of the company.

As at 31 August 2020, J Dearden, a Governor of the school, had a balance with the school under the fees in advance scheme amounting to £48,749 (2019: £90,633). Discounts have been given from this scheme in the year totalling £3,735 (2019: £5,095).

As at 31 August 2020, A Hodson, a Governor of the school, had a balance with the school under the fees in advance scheme amounting to £nil (2019: £10,848). Discounts have been given from this scheme in the year totalling £552 (2019: £510).

23 Members liability

The charity has no share capital being a company limited by guarantee. Each member is required to contribute an amount not exceeding £1 per member in the event of a winding up situation.

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

24 Pension costs

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff and The Pensions Trust's Growth Plan for non teaching staff. The total pension charge for the year was £548,687 (2019: £436,163) and at the year-end £15,182 (2019 - £2,675) was accrued in respect of contributions to this scheme.

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 5 March 2019

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations

The TPS valuation for 2016 determined an employer rate of 23.68%, which was payable from September 2019. The next valuation of the TPS will be based on the March 2020 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2023.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

WINDERMERE EDUCATIONAL TRUST LIMITED
T/A WINDERMERE SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

| | | | | |
|----|--|-----------------|---------------------------|-------------|
| 25 | Cash generated from operations | 2020 £ | 2019 £ | |
| | (Deficit)/surplus for the year | (233,367) | 48,823 | |
| | Adjustments for: | | | |
| | Interest paid | 146,882 | 154,251 | |
| | Depreciation and impairment of tangible fixed assets | 202,522 | 202,158 | |
| | Movements in working capital: | | | |
| | Decrease in stocks | 1,082 | 254 | |
| | (Increase)/decrease in debtors | (16,884) | 7,581 | |
| | Increase in creditors | 463,973 | 37,934 | |
| | (Decrease) in deferred income | (518,921) | (176,894) | |
| | Cash generated from operations | 45,287 | 274,107 | |
| 26 | Analysis of changes in net (debt)/funds | | | |
| | At 1 September 2019 £ | Cash flows £ | At 31 August 2020 £ | |
| | Cash at bank and in hand | 1,163,558 | (785,077) | 378,481 |
| | Loans falling due within one year | (171,653) | 59,006 | (112,647) |
| | Loans falling due after more than one year | (1,600,068) | 53,348 | (1,546,720) |
| | | (608,163) | (672,723) | (1,280,886) |