

REGISTERED COMPANY NUMBER: 00312473 (England and Wales)
REGISTERED CHARITY NUMBER: 527377

Red House School Limited

Report of the Trustees (including Strategic Report)
and Financial Statements
for the Year Ended 31 August 2022

ANDERSON BARROWCLIFF LLP
Chartered Accountants

Red House School Limited
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for the Year Ended 31 August 2022

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Red House School Limited

Charity Reference and Administrative Details
for the Year Ended 31 August 2022

Registered Company number

00312473 (England and Wales)

Registered Charity number

527377

Registered office

36 The Green
Norton
Stockton on Tees
TS20 1DX

Trustees

V L Duncan - Chair
N Simpson - Secretary
S M Costigan
M E Elwell
K E Huddart
F Hunt

A Rangan
A G Taylor
J Henning
K D James - Appointed (24/11/21)
S Blackett - Appointed (24/11/21)
L C Boyd-Smith - Appointed (24/11/21)

Other changes in trustees holding office are as follows:

M J Anderson Retired 24/11/21.
S J Ashforth Retired 24/11/21.
G D Coldwell-Smith Retired 24/11/21.
K Shaw Retired 24/11/21.
S D Wright Retired 24/11/21.

V Bedi was appointed President in November 2017 and J A Robson continues to act as Vice President. Neither are registered as statutory directors of the company. The school no longer has a staff representative in attendance at School Council meetings.

Head

R Ashcroft

Auditors

Anderson Barrowcliff LLP
3 Kingfisher Court
Bowesfield Park
Stockton on Tees
TS18 3EX

Bankers

Lloyds TSB	Yorkshire Bank
27 High Street	30 St Vincent Place
Stockton	Glasgow
TS18 1SG	G1 2HL

Solicitors

Milners Solicitors
Whitehall Waterfront
2 Riverside Way
Leeds
West Yorkshire
LS1 4EH

Red House School Limited

Report of the Trustees **for the Year Ended 31 August 2022**

The trustees present their report and the audited financial statements of the charity for the year ended 31 August 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' in preparing the annual report and financial statements of the charity.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with the Charities Act 2011 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) published in October 2019, and the Companies Act 2006.

TRUSTEES

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end are shown on page 1.

OBJECTIVES AND ACTIVITIES

In setting our objectives and planning our activities our trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee charging.

Red House School is a coeducational independent day school for children between the ages of 3 and 16. The Head, Dr Rebecca Ashcroft, is a member of the Independent Schools Association (ISA) and the Board of Governors, Red House's governing body, is in membership of the Association of Governing Bodies of Independent Schools (AGBIS). The Head of Finance & Compliance, Mrs Andrea Tomlinson, is a member of the Independent Schools' Bursars Association (ISBA). The aim of the school is to provide a high quality, all-encompassing education, in a nurturing, inclusive and caring environment.

Red House was established in 1929, by a group of parents to provide the very best education possible for their children. This remains just as true today and a close working collaboration between parents and staff ensures that the pupils are happy in school and achieve their very best.

Red House is a truly cooperative community in which every member of the Red House family is working towards the goal of being the best they can be, whilst supporting those around them. We offer each of our pupils the opportunity to make the most of their talents and gain a wealth of new experiences in a happy, encouraging, and nurturing environment. We maximise their potential by affording our pupils a huge range of learning and co-curricular opportunities, whilst ensuring the highest levels of pastoral care. We want our pupils to flourish and to leave us at the end of their Red House journey, surrounded by friends, with the best grades possible, being fully prepared for the next exciting phase of their lives.

The pupils perform exceptionally well academically, with every child achieving their best. Indeed, we are immensely proud to have been ranked the No. 1 independent school in the area for results at GCSE for the past few years, and have received the highest rating of 'Excellent', in both categories, following an inspection by the Independent Schools Inspectorate (ISI) in April 2019. The pupil's success is the result of their curiosity and intellectual engagement, as well as their developing maturity and self-confidence. Making learning exciting, engaging and memorable lies at the heart of a Red House education. However, academic results are not the sole success criteria: our pupils enjoy a holistic education, and are inspired as much by the world outside the classroom as the world within it. At Red House, every aspect of school life complements the others, and it is precisely this rounded education which produces independent and creative young adults, who are prepared and ready to make their mark in the world.

As we fast approach our centenary year in 2029, Red House is a thriving community, and a truly unique school, which is both vibrant, progressive and dynamic, with space to breathe and think.

The school usually operates one form in each year in Key Stage 1, two forms per year in most Key Stage 2 year groups, and three forms per year in Key Stages 3 and 4.

During the year under review, the school completed the significant refurbishment of the Art Studio in the Senior School, which now features a Dark Room and a suite of PCs. In addition, we invested considerably in replacing classroom windows across the Senior School site and a replacement boiler in the Junior School, as well as renovating the EYFS and Key Stage 1 classrooms, three classrooms in the Senior School and creating a new Heads of Year Office.

Whilst we take pride in our traditions and Christian heritage, Red House also aims to be at the forefront of developments in both teaching and learning. Opportunities to experience and use ICT are embedded into the curriculum, whilst suites of computers on both sites ensure each child is able to make the most of the technology available.

Red House School Limited
Report of the Trustees
for the Year Ended 31 August 2022

SIGNIFICANT ACTIVITIES

Early Years Foundation Stage (EYFS)

Following an extensive building programme, Red House Nursery School opened in Spring 2005. Boys and girls, aged over three years of age, are welcomed into the Nursery on a part-time or full-time basis. The purpose-built Nursery provides a secure, warm and friendly environment in which children can play and learn. With access to its own enclosed patio and garden, the Nursery offers spacious, safe and calm surroundings that help each individual child develop and discover. Nursery children are encouraged to use the outdoor learning environment and are taken on a range of off-site educational activities.

Junior School

Based on the same site as the Nursery, the Junior School offers a secure, stimulating and caring environment in which the needs of each individual child are provided for and nurtured. Children from Reception to Year 5 are taught on this campus.

Offering a high quality of education in all areas of school life, a team of professional and dedicated staff identify the special requirements of each child and provide opportunities for all the children to develop their academic, social, physical and intellectual potential. Interactive panels in each classroom, plus an ICT suite on the Junior School site, ensure that ICT is an integral part of our pupils' education from an early age. The outdoor learning area encourages the children to work independently and to make the most of outdoor learning. Children in each year group are also taken on a wide range of educational and co-curricular visits. In addition, from September 2021, pupils from Reception-Year 6 enjoy one half term of Forest School lessons per year.

Children leave the Junior School at the end of Year 5 fully equipped for a smooth and successful transition to Year 6 in the Senior School.

Senior School

Children in Years 6-11 are taught on the Senior School campus. Year 6 is housed in two classrooms on the ground floor. Year 6 provides exciting challenges across the full range of academic subjects and introduce pupils to a wide range of sporting, cultural and creative activities. This develops a pupil's talents and skills and lays secure foundations for the future.

In Year 6, pupils are taught by specialist 'secondary' staff for PE, Games, Swimming, Art, DT, Computing and French. For the remainder of their lessons, they are taught by the Year 6 Form Teachers and are taught in specialist facilities e.g. the Science Labs, Art Studio, the DT Room, and the Computing suites, and there is no doubt this helps children to achieve their full potential.

Senior pupils have access to a full range of GCSEs. All pupils study the 'core' subjects of Mathematics, English Language, English Literature, Biology, Chemistry and Physics, along with three/four other 'option' subjects chosen from an extensive list of options. Further Mathematics is also an additional option for our most able mathematicians in Year 11.

In addition, there are a number of educational visits each year, including field trips, year group residential trips, theatre visits, foreign languages trips and excursions to local and national museums and other places of educational interest. However, this was not possible between 11 November 2021 and 28 February 2022, due to the introduction of Stockton Public Health restrictions during the COVID-19 pandemic.

Pupils also participate in a broad and diverse range of co-curricular activities, including sport, drama, music tuition and ICT, to maintain a broad and balanced education.

ICT

There is a strong emphasis throughout the whole School on the development of ICT skills. An extensive computer network, which includes several suites of wireless Chrome Books (100 in total), laptops and iPads, is linked to all areas. Continued investment in state-of-the-art equipment in the 2021-2022 academic year, includes, 15 new desktop computers in the Art Studio, updating some PCs and monitors for staff, plus an interactive panel in the Nursery.

The School continued to invest heavily in new technology throughout the year, spending £13,167 on computer equipment to enhance interactive classroom teaching.

Independent research is facilitated through unlimited and filtered access to the Internet. The ICT facilities are made available to pupils before and after school and during breaks and lunches for the older age ranges.

Red House School Limited

Report of the Trustees **for the Year Ended 31 August 2022**

The ICT department have continued to support all pupils, staff and parents extensively this year, especially providing Teams support, for pupils and staff self-isolating due to COVID-19. In addition, the implementation of the ISAMS Parent Portal from October 2021 has further enhanced our parent's experience.

Culture, Music & Drama

Despite some local public health COVID-19 restrictions between November 2021 and February 2022, Music and Drama have remained important aspects of life at Red House and the opening of the Music School three years ago is a prominent enactment of the school's commitment to the performing arts. Private tuition for a wide range of brass, string and percussion instruments continued to be available to children throughout the school. Co-curricular music; for example, orchestra, Junior and Senior Choirs, a recorder group and a number of other instrumental groups resumed in September 2021, and a Summer Concert took place on 30 June 2022, as well as a highly competitive 'Red House Has Got Talent' competition on 1 July 2022.

In a usual year, Junior School productions, Harvest Festival, Senior School Carol Service, Junior Nativity Services, music concerts and drama productions by Senior School pupils are all significant events in the school year. The school also produces a musical each year which includes children from both sites. However in 2021-22, the much anticipated school production of 'The Wizard of Oz' had to be postponed because of the local public health restrictions in place. However, this has been rescheduled for 8-11 March 2023.

Co-Curricular Activities

Co-curricular activities, i.e. those aspects of a pupil's learning and development that run parallel to their academic studies, are an integral and highly significant part of life at Red House School and are considered as an extension of the curriculum rather than an addition to it. Examples of our co-curricular offerings include: outdoor adventure education (with trips to Outward Bound, Ullswater, Carlton Camp, Robinwood and PGL Caythorpe Court).

Duke of Edinburgh's Award expeditions, an annual ski trip and the ambitious and exciting programme of sporting activities, 'Education for Leisure', that take place in Year 11, are all flourishing providing opportunities for pupils at Red House. A group of Year 10 and 11 pupils, who attend The Spires (Junior Oxbridge Club) also participated in a two-day residential visit to Oxford and Cambridge from 7-8 July 2022.

The Duke of Edinburgh's (DofE) Award scheme not only provides opportunities for pupils to become involved in adventure education, but also allows pupils to develop their skills, physical prowess and contribute to community service. Many pupils in Year 10 take part in the Bronze Award. Trim trails on both school sites provide alternative suitable physical challenge for pupils during break and lunchtimes.

Other activities at the Senior School include: Chess club, Dance, Minecraft club, Football Academy, Table Tennis and Badminton club, Zen Den club, Art club, ICT and Robotics. There are a large number of clubs and activities that take place in the Junior School including: Table Top games, Lingotots, Performing Arts, Karate, Zen club, ICT, Art and Craft club, Eco club, sport, DT, and cooking.

Sport

Red House pupils are entered for a number of local and national competitions and sport plays a major role in the physical development of children and is central to school life. Our excellent facilities, augmented by resources brought in from outside, ensures that all pupils have access to a wide and varied programme of sporting activities.

Pupils in the Junior School are taught by specialist sports teachers, using equipment and facilities on both sites. The school has a large sports hall, extensive playing fields and a new all-weather sports pitch. The sports curriculum not only has obvious health benefits, but also provides opportunities to develop team working and leadership skills, as well as the enjoyment of competing against other individuals and teams. Our annual sports day took place on 4 July 2022.

Despite indoor sports fixtures being disrupted from November 2021 to February 2022 (due to local Public Health restrictions being imposed), in the academic year 2021-22, there were a number of significant sporting achievements:

- Girls Hockey – the U14 Girls Hockey Team were runners up in the County Tournament and qualified to represent Cleveland in the North East Semi-Finals of the National Schools Competition; The U12B team were Cleveland County Hockey Tournament joint runners up and the U13As were 3rd; the U16, U13A and U13B teams were Cleveland County Hockey League winners; and the U14 team were Cleveland County Hockey League runners up.
- Girls Netball - Stockton District Tournaments – U16A & U14B were winners and U14As were runners up; Stockton District Leagues – U14s & U16s were crowned Stockton Champions and U13As were runners up in the League but were triumphant in the Challenge Final at the end of the season; and U14s were runners up in County round of National schools. NB: Red House could not attend regional finals due to local COVID restrictions.

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Report of the Trustees **for the Year Ended 31 August 2022**

- Rugby – the U11 Girls & Boys teams were crowned Stockton Champions in the Primary Schools Rugby Festival.
- Football – the U14 Boys team were ISA National Football Trophy winners.
- Cross Country - ISA North Cross Country Race Winner and Tees Valley Primary Schools Cross Country Finals; 1 race winner and 9 athletes represented Stockton in this competition.
- Tennis - U13 Boys Runners up in the County Round of the National Schools Competition.
- Cricket – the U13 team were County Cup Semi-Finalists and the U14 team were County Cup Quarter-Finalists.
- Athletics - 4 pupils won events at the Stockton Central Primary Schools Championships; 15 pupils achieved a podium finish and 10 pupils represented Stockton in the Tees Valley Finals; 16 pupils from Red House represented the North ISA team at National Finals, with 8 pupils achieving a podium finish (bronze in boys' discus (U14) and girls' relay (U12), double silver in the U14 boys & girls High Jump Competition, gold in boys' relay (U14) and RHS had a race winner in the U14 boys 1500m, and individual gold & silver medals achieved in the shot and discus.
- Golf – a Year 7 pupil was crowned U18 County Champion.

Pastoral Care, Mindfulness and Wellbeing

Red House is a warm and caring school, providing a secure and supportive environment in which young people develop into confident, mature and respectful young adults. A programme of personal, health and social awareness ensures that our pupils are equipped to deal with issues in the modern world and prepares them for life after Red House. In July 2021, Red House was awarded the Bronze Award by the Carnegie Centre for Excellence School's Mental Health Award.

In the academic year 2021-2022, whole-school wellness and mindfulness has been championed through a range of activities for both pupils, staff and parents. Mindfulness and wellness is an integral part of life for pupils at Red House School. This has been achieved through regular assemblies on topics related to wellness; the Wellbeing and Positive Mental Health Policy; the pupil Wellbeing board; mindfulness being further embedded into the PSHE/RSE programme across both sites; and through the launch of wellness initiatives, such as, Christmas crafting, 'Attitude of Gratitude' journals, and 'Little Jars of Kindness' for all pupils from Year 2 to 11.

In addition, in 2021-2022 the following was implemented:

- The appointment of a School Counsellor, who comes into school two days a week; this service is provided free of charge to the pupils.
- In October 2021, the appointment of Staff 'Wellness Ambassadors' in both the Junior and Senior Schools. The pupils can either 'drop in' to chat to designated members of staff or they can book an appointment. This often involves mentoring or signposting pupils. Sessions may include mindfulness or meditation and work on growth mindset and resilience. It can also simply be an opportunity to 'offload' and chat.
- New and updated PSHE and Relationships and Sex Education (RSE) schemes of work in the Junior and Senior Schools, delivered in weekly, timetabled lessons, where issues such as positive friendships, child-on-child abuse, mental health, managing relationships, discrimination and prejudice, bullying and various forms of other abuse are covered in an age-appropriate way. RSE reported to parents in reports.
- Enriching the curriculum by taking learning outside of the classroom with Forest School for pupils in Reception to Year 6, to help build relationships, self-esteem and resilience.
- Additional training for staff, e.g. 55 staff members qualified in 'Supporting Mental Health and Wellbeing of Children and Young People'.
- Developing the way in which we communicate with parents: the launch of the ISAMS Parent Portal.

For staff, wellbeing initiatives included a mindfulness Christmas crafting evening over three nights, with over 35 members of staff across both sites participating; Staff Wellness Boards in both staff rooms; and 'Attitude of Gratitude' goodie bags and post-it notes in both staff rooms.

Since October 2020, we have completed an annual Wellbeing Survey with our parents, pupils and staff and use this data to feed into our pastoral care provision and wellbeing initiatives.

In 2021-2022, Red House pupils supported many local and international charities both through charitable giving and practical involvement. There are strong links with our local church St. Mary's Church, Norton and Stockton Parish Church. In the 2021-2022 academic year, the following charities were supported:

Macmillan Cancer Support, Hello Yellow, Children in Need, St Michael's Hospice, Save the Children, Place2Be, Zoe's Place, Red Cross, Comic Relief and Cancer Research. Plus food, clothing and sanitary wear were donated to the Trussell Trust and Billingham and Stockton Food Bank at Harvest time and Christmas.

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Report of the Trustees **for the Year Ended 31 August 2022**

Careers and post-16 guidance

Careers guidance runs throughout the whole school curriculum. In the 2021-2022 academic year, we invested in the implementation of Unifrog, an online tool for pupils in Years 7-11 to use to search for careers, build a CV, learn to write a persuasive cover letter, record competencies, complete virtual work experience, search for Sixth Forms and universities, complete a free MOOC, and more. Unifrog provision has built into the PSHE programme.

We have also launched a 'Be Inspired' Careers Programme, inviting alumnae and parents to come into school to deliver careers talks to the pupils.

Admission

Entry to the school, with the exception of the Early Years Foundation Stage, is dependent upon the availability of places and the successful completion of an entrance assessment. Children entering Nursery and Reception classes are required to achieve a satisfactory assessment during their time in the Reception to progress into Year 1.

PUBLIC BENEFIT STATEMENT

Red House School was founded by a group of parents in 1929, who wished to give their children the very best start in life by providing them with a first-rate education. Since those early days the school has grown and developed, but the underlying principle of providing the highest quality education, still remains true.

Historically, and continuing to the present day, fees have been set at a level below that of other independent schools within the region providing access to a wide spectrum of society. A Bursary Policy has been developed which provides a number of bursaries; up to 100% of fees is available.

The school allows its facilities to be used by a number of outside organisations at reduced or zero rates. These include, Norton 'Green Market on The Green', and charity events.

The school educates around 340 pupils who might otherwise be educated by the state.

The school provides teaching practice opportunities for students from local universities and work experience placement for pupils of maintained schools.

In a typical year, Red House has hosted Teachmeet events, enabling teachers from many different schools to come together and share ideas.

Red House is used as an examination centre for home educated children.

A number of teachers within the school are supported in their roles as GCSE and A level examiners and moderators of public examinations.

Volunteers

The charity benefits from parents and friends supporting the school's activities and the valuable work done by the PTA.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

We measure our success under a broad number of pupil outcomes.

Academic

The 2022 GCSE examination results were outstanding. The headline figures were 64.2% grades 7-9 (A*/A), 35.2% grades 8-9 (A*) and a 99.5% pass rate at grades 4-9 (C-A*). These results are some of the best the school has ever seen.

In addition to the excellent academic results, the school is committed to ensuring every child achieves their full potential. The school has a continuous commitment to maintaining full compliance with the requirements set out in the Education (Independent School Standards) Regulations 2014 and Early Years Foundation Stage Statutory Framework.

Red House pupils also had considerable success at all ages when entered for national competitions in 2021-2022, including:

Red House School Limited

Report of the Trustees **for the Year Ended 31 August 2022**

- In the UKMT Intermediate Challenge (February 2022), out of 17 Year 11 entrants - 3 achieved Gold, 4 were awarded Silver and 7 received the Bronze award. Three Year 11 pupils qualified for extension paper. In addition, we had 17 Year 10 entrants: 1 pupil received Gold, 2 achieved Silver and 6 were awarded the Bronze certificate. One Year 10 pupil qualified for the extension paper.
- In the UKMT Junior Challenge (28 April 2022), there was 19 Year 7 entrants and 21 Year 8 participants. There was 1 Gold award, 5 Silver and 9 Bronze awards.
- Winners of the VEX IQ Robotics competition (March 2022) and qualified for the National Final in Telford in June 2022.
- In June 2022, two of our Year 7 teams were awarded 1st and 2nd place in the highly prestigious ICE Inspire 2022 - Sustainable Civil Engineering Award, which was open to all schools from across the wider North East region, and sponsored by the Institution of Civil Engineers (ICE)
- In June 2022, a Year 6 pupil was awarded 1st place in the National Language Games competition; 636 pupils of all ages nationally took part in the competition.
- Success in national essay writing competitions, e.g. ISA and Young Writers. In 2022, 2 pupils in Year 7 were awarded the ISA Max Gate Essay 'School Winning Entries' and 2 Year 11 pupil were recipients of the Favonius Essay 'School Winning Entries' Award.

Inspection

The School was inspected by the Independent Schools Inspectorate in April 2019. The School was fully compliant in all aspects of the focused compliance inspection and achieved excellent, the highest rating possible, in all areas of the Educational Quality Inspection.

Principal risks and uncertainties

The Board of Governors and the Senior Management Team (SMT) regularly assesses risks and uncertainties facing the company. These are principally the general economic environment, difficulties faced with planning applications, maintaining adequate financial reserves, recruiting and retaining key members of staff and potential failure of computer hardware or software.

The Board of Governors believe that they have taken adequate steps to mitigate these risks.

FINANCIAL REVIEW

Results

The results for the year and financial position of the charity are shown in the annexed financial statements. The charity reported net surplus of funds of £177,695 (2021 – £140,300) and had net assets of £3,637,914 (2021 - 3,460,219).

The charity enjoys the continued support of its bankers because of its very strong net assets position, strong cash flows and its return to reporting net income.

Reserves Policy

The school's aim is to generate and maintain reserves to ensure the highest standards of education are achieved.

In the longer term, these reserves will allow the school to fund the development of its asset base without recourse to further borrowings. The principal funding source available to the charity is school fee income.

The school will aim to prepare an annual budget based on forecasted revenue and costs with an aim to make a surplus which would increase reserves by £250,000 per annum. This is based on £150,000 reserves for capital projects, £50,000 as a contingency for committed expenditure and £50,000 for cash reserves. The basis of the policy is to endeavour to steadily increase cash reserves by a minimum of £50,000 per annum with a long view to retained reserves covering 1 term's committed expenditure.

The school has reserves of £3,637,914 of which £3,635,036 are unrestricted. Further details are given in notes 20 and 21 to the financial statements. The trustees believe that the school has sufficient reserves to continue to provide the high quality education that our pupils and parents expect.

Incoming resources policy and objectives

Budgetary forecasts are made on an annual basis.

Red House School Limited

Report of the Trustees **for the Year Ended 31 August 2022**

Going Concern

As a result of the recent COVID-19 pandemic, the current war in Ukraine and the emergent cost of living crisis and soaring energy costs, there is much financial uncertainty in the UK. However, the trustees have reviewed the school's financial position and level of reserves and as a result of this review have a reasonable and proper expectation that the school has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the trustees believe that the going concern basis remains the appropriate basis to prepare these financial statements. The on-going situation will continue to be monitored.

The trustees are satisfied with the performance of the charity.

PLANS FOR FUTURE PERIODS

In 2016, the School made the decision to remain in Norton. The sites have been master planned to determine the best use of the land we have on the Norton site. The improvement of facilities has been considerable in the past few years and includes the following: the addition of an all-weather sports pitch, the ongoing refurbishment of a number of areas in both schools, including, the Dining Hall, the Barn (in the Junior School), the Sports Hall, both staff rooms, classrooms on both sites, the ICT suite, an outdoor classroom in the Junior School, the Music House and the Biology, Chemistry and Physics labs.

In the 2021-2022 academic year, the following renovations have been completed: the refurbishment of the Art Studio to include a suite of 15 desk top PCs and a new Dark Room; the redecoration of the EYFS and Year 1 classrooms and communal areas in the Junior School; two Maths classrooms and one MFL classroom; the Junior School boiler was replaced and windows were replaced in a number of classrooms in the Senior School. A new Heads of Year Office was also created and furnished.

In 2021-22, we also invested in the following: introduced an ISAMS Parent Portal for parents and transitioned from PASS to ISAMS iFinance. We also invested in CPOMS for recording/logging any child protection, safeguarding, bullying or SEND concerns, and in Unifrog to bolster and support our careers and post-16 provision. Since the 2021-2022 academic year, we have invested in the SSS Learning Safeguarding Suite for staff and Board of Governors CPD training.

Further plans include:

Priorities for 2022-23 include: the renovating of the DT Room and one of the ICT suites in the Senior School. Plus the creation of a Wellness Studio in the Senior School.

Creating more classroom space and extending the size of the Senior School to have three-form entry with 20 pupils in each Year 7 form by September 2025. Classroom space could be achieved by building above Rooms C, D and E (History, Geography and IT) and the Sports Hall and creating a first floor, redeveloping K, L, R and Q (German, Design Technology, Computing and RS) and creating a floor above.

Following a robust Curriculum Review, potentially creating a dance studio in rooms 15 and 16 (the current Year 6 classrooms) and a Food Technology room in one of the ICT rooms.

Making more space in the Dining Hall, by removing the existing stage and creating a shallow, two-step stage, where dining tables could be placed to increase capacity.

Developing plans to extend into a Sixth Form and create a designated Sixth Form area for pupils and teaching.

Coronavirus (COVID-19)

In the 2021-2022 academic year, the school was impacted by the introduction of local public health measures and restrictions between 11 November 2021 and 28 February 2022. School remained fully open at this time. Moving forward, we do not expect school to close as a result of the pandemic. However, should we have to do so, the school will take the following steps:

- Implement the comprehensive remote learning programme, via Teams, which ran throughout the two school lockdown periods (March-June 2020 and January-March 2021). This was complimented upon by a significant number of parents.
- Any reduction in fees will be proportionate and will take into account any financial support available from central government. The Board of Governors will always aim to ensure any discount leaves the Income and Expenditure of the school in surplus each year.

Red House School Limited

Report of the Trustees **for the Year Ended 31 August 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, the Memorandum and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

In accordance with the Articles of Association, the affairs of the company are controlled by a council of management consisting of governors. The office of governor is therefore equivalent to that of director for all requirements of the Companies Act 2006, and that of trustee for all requirements of the Charities Act 1993, as amended by the Charities Act 2011.

Board of Governor members can be drawn from the parent body and the wider community and are elected by members of the company at the Annual General Meeting. Up to one quarter of Board members may be drawn from the wider community.

Induction and training of new trustees

New trustees are provided with an extensive package of information relating to the school, including current and historical information and minutes of relevant meetings.

Organisational structure

The Board of Governors is supported by three sub committees: Management, Education and Health & Safety. The full Board of Governors meets twice per term and the sub committees meet at least once per term, to oversee the activities of the charity.

The Head is appointed to manage the day to day activities of the school. Throughout this audit period it was Dr Rebecca Ashcroft.

The trustees set the remuneration of the Senior Management Team, which includes the Head.

Wider network

Red House School is a member of the Association of Governing Bodies of Independent Schools (AGBIS) and the Independent Schools Association (ISA). Both provide support and advice to the school.

Related parties

The charity is not dependent on the support of related parties.

Risk management

The trustees have consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks.

Fund-raising

The school does not carry out any significant fund-raising activities for the school's own funds.

TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Red House School Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP 2019 (FRS 102);
- 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Red House School Limited

Report of the Trustees
for the Year Ended 31 August 2022

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

DISCLOSURE OF INFORMATION TO THE AUDITORS

We, the trustees of the charitable company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as trustees.

ON BEHALF OF THE BOARD



S M Costigan

X 8 November 2022

Red House School Limited
(A Company Limited by Guarantee)
Independent Auditor's Report to the Members of Red House School Limited

Opinion

We have audited the financial statements of Red House School Limited for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 trustees 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) 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 have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

Red House School Limited
(A Company Limited by Guarantee)
Independent Auditor's Report to the Members of Red House School Limited

- 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 set out on page 9, 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.

Based on our understanding of the industry, we have considered applicable laws and regulations which may be fundamental to the charitable company's ability to operate or to avoid a material penalty, and we considered the extent to which non-compliance might have a material effect on the financial statements. We considered management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate manual journal entries to manipulate financial performance, management bias in significant accounting estimates and any significant one-off or unusual transactions.

We discussed among the audit engagement team the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

Audit procedures performed by the engagement team included:

- Enquiry of management, those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Challenging estimates and judgements made by management in their significant accounting estimates.
- Revenue recognition; agreeing a sample of revenue transactions to gain assurance over the occurrence and accuracy of revenue and also to ensure revenue has been recognised in the correct period.

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. The 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.

Red House School Limited
(A Company Limited by Guarantee)
Independent Auditor's Report to the Members of Red House School Limited

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

Use of our report

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

Jerome Bury FCA - Senior Statutory Auditor
For and on behalf of Anderson Barrowcliff LLP
Statutory Auditors
Chartered Accountants
3 Kingfisher Court
Bowesfield Park
Stockton on Tees
TS18 3EX

9 November 2022

Red House School Limited
Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2022

	Notes	Unrestricted Fund £	Restricted Funds £	2022 Total Fund £	2021 Total Fund £
Income from:					
Donations and legacies	2	-	-	-	22,237
Charitable activities	3	4,034,558	-	4,034,558	3,715,329
Investment income	4	-	-	-	202
Other income	5	3,500	-	3,500	32,670
Total income		4,038,058	-	4,038,058	3,770,438
Expenditure on:					
Charitable activities					
Educational activities	6	3,856,007	4,356	3,860,363	3,630,138
Total expenditure		3,856,007	4,356	3,860,363	3,630,138
Net income / (expenditure)		182,051	(4,356)	177,695	140,300
Net movement in funds	9	182,051	(4,356)	177,695	140,300
Reconciliation of funds:					
Total funds brought forward	20	3,452,985	7,234	3,460,219	3,319,919
Total funds carried forward	20	3,635,036	2,878	3,637,914	3,460,219

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

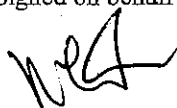
All income and expenditure derive from continuing activities.

Red House School LimitedBalance Sheet
At 31 August 2022

	Notes	2022 £	2021 £
Fixed Assets			
Tangible assets	14	5,158,280	5,139,379
		<u>5,158,280</u>	<u>5,139,379</u>
Current assets			
Stocks	15	72,654	71,807
Debtors	16	159,080	151,624
Cash at bank and in hand		1,034,350	952,865
		<u>1,266,084</u>	<u>1,176,296</u>
Creditors:			
Amounts falling due within one year	17	(927,755)	(905,871)
Net current assets/(liabilities)		<u>338,329</u>	<u>270,425</u>
Total assets less current liabilities		<u>5,496,609</u>	<u>5,409,804</u>
CREDITORS			
Amounts falling due after more than one year	18	(1,858,695)	(1,949,585)
Net assets		<u><u>3,637,914</u></u>	<u><u>3,460,219</u></u>
Charity funds			
Restricted funds	20	2,878	7,234
Unrestricted funds	20	1,299,493	1,117,442
Unrestricted funds - revaluation reserve	20	2,335,543	2,335,543
Total charity funds		<u><u>3,637,914</u></u>	<u><u>3,460,219</u></u>

The financial statements were approved and authorised for issue by the Board on 18th November 2022.

Signed on behalf of the board of trustees



K E Huddart

Red House School Limited
Cash Flow Statement
for the Year Ended 31 August 2022

	Notes	2022 £	2021 £
Cash inflow from operating activities	22	352,202	294,895
Interest paid		(53,443)	(54,084)
Net cash flow from operating activities		298,759	240,811
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(121,899)	(195,930)
Proceeds from sale of tangible fixed assets		-	300
Investment income		-	202
Net cash flow from investing activities		(121,899)	(195,428)
Cash flow from financing activities			
Capital repayment of long-term loans and finance lease		(95,375)	(30,609)
Net cash flow from financing activities		(95,375)	(30,609)
Net increase in cash and cash equivalents		81,485	14,774
Cash and cash equivalents at 1 September		952,865	938,091
Cash and cash equivalents at 31 August		1,034,350	952,865
Cash and cash equivalents consist of:			
Cash at bank and in hand		1,034,350	952,865
Cash and cash equivalents at 31 August		1,034,350	952,865

Red House School Limited

Notes to the Financial Statements
for the Year Ended 31 August 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) General information and basis of preparation

Red House School Limited is constituted as a private charitable company limited by guarantee in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charitable company's operations and principal activities are that of a school.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention as amended by deemed cost. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Fees received in advance of education to be provided in future years are held as liabilities until taken to income in the term when used.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

The charity has received donations in respect of capital expenditure. The income is credited to the Statement of Financial Activities when receivable. They are not deferred over the life of the asset.

Red House School Limited

Notes to the Financial Statements
for the Year Ended 31 August 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

(c) Income recognition - continued

Grants of a revenue nature are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

(d) Expenditure recognition

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. All expenditure is categorised as "Expenditure on charitable activities".

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

The analysis of these costs is included in note 7.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:-

Freehold - buildings	- 2% on cost
Freehold - artificial sports pitch	- 8.33% on cost
Property improvements	- 6.67% on cost
Fixtures and fittings	- 25% on cost and 15% on cost
Motor vehicles	- 25% on cost

(g) Stocks

Stocks are stated at the lower of cost and net realisable value. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

(h) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(i) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans and finance leases which are subsequently measured at amortised cost using the effective interest method.

The notes form part of these financial statements

Red House School Limited

Notes to the Financial Statements
for the Year Ended 31 August 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

(j) Confirmation deposits

Confirmation deposits represent sums received to confirm acceptance of a pupil into the school. They are refundable on leaving education and are held as creditors until that time.

(k) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

(l) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of asset is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss.

(m) Leases

Assets acquired under finance leases are capitalised and depreciated over the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SOFA on a straight-line basis over the period of the lease.

(n) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of some employees. Contributions are expensed as they become payable.

Retirement benefits to teachers of the school are provided by the Teachers' Pension Scheme (TPS). This is a defined benefit scheme which is externally funded and contracted out of the State Earnings - Related Pension Scheme. Contributions to the scheme are calculated so as to spread the cost of pensions over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of valuations using a prospective benefit method. The TPS is a multi-employer scheme and the school is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

(o) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and 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.

(p) Going concern

As a result of the ongoing Coronavirus (Covid-19) pandemic there remains some financial uncertainty if the school is obliged to restrict pupil and staff access. However, the trustees have reviewed the school's financial position and level of reserves and the school has contingency plans, which have been proven to work, in the event of a school closure. The trustees therefore have a reasonable and proper expectation that the school has adequate resources and plans in place to continue in operational existence for a period of twelve months from approving these financial statements. Accordingly, the trustees believe that the going concern basis of preparation remains appropriate.

The notes form part of these financial statements

Red House School Limited

Notes to the Financial Statements
for the Year Ended 31 August 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

(q) Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 of the revision, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

(r) Government grants

The school received government grants in respect of the Coronavirus Job Retention Scheme and Apprenticeship funding. These grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the school will comply with conditions attached to them. The grants were received using the accrual model.

2 INCOME FROM DONATIONS AND LEGACIES

	2022	2021
	£	£
Gifts	-	22,237
	<u> </u>	<u> </u>

Income from donations and legacies was £Nil (2021: £22,237) of which £Nil (2021: £22,237) was attributable to unrestricted funds.

3 INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
School fees	3,570,071	3,434,949
Registration fees	2,275	2,425
School uniform sales	67,763	54,092
Catering & other income	267,763	171,955
Co-curricular activities	126,686	51,908
	<u>4,034,558</u>	<u>3,715,329</u>

The above income is attributable to unrestricted funds.

4 INCOME FROM INVESTMENTS

	2022	2021
	£	£
Interest – deposits	-	202
	<u> </u>	<u> </u>

Income from investments was £Nil (2021: £202) of which £Nil (2021: £202) was attributable to unrestricted funds.

The notes form part of these financial statements

Red House School Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

5 OTHER INCOME

	2022	2021
	£	£
Government grants receivable	3,500	32,670
	<u>3,500</u>	<u>32,670</u>

Other income was £3,500 (2021: £32,670) of which £3,500 (2021: £32,670) was attributable to unrestricted funds.

During the year the school received apprenticeship funding. In the prior year the school received government grants in respect of the Coronavirus Job Retention Scheme.

6 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Educational Activities	Support Costs	Total 2022	Total 2021
	£	£	£	£
Teaching staff	2,186,868	-	2,186,868	2,173,307
Educational support costs	787,594	-	787,594	684,315
Support costs (see note 7)	-	407,381	407,381	410,857
Catering costs	93,917	-	93,917	79,420
Uniform costs	47,049	-	47,049	44,700
Depreciation and loss on disposal of assets	154,249	-	154,249	128,953
Interest payable	53,443	-	53,443	54,084
Bank charges	1,925	-	1,925	2,594
Co-curricular activities	127,937	-	127,937	51,908
	<u>3,452,982</u>	<u>407,381</u>	<u>3,860,363</u>	<u>3,630,138</u>

£4,356 (2021: £617) of the above costs were attributable to restricted funds. £3,856,007 (2021: £3,629,521) of the above costs were attributable to unrestricted funds.

7 ALLOCATION OF SUPPORT COSTS

Support cost	Basis of allocation	2022	2021
		£	£
Governance (see note 8)		173,324	159,036
Senior management	Allocated on time basis	83,934	114,699
Admin staff costs	Allocated on time basis	150,123	137,122
Total		<u>407,381</u>	<u>410,857</u>

8 GOVERNANCE COSTS

	Basis of allocation	2022	2021
		£	£
Senior management	Allocated on time basis	9,326	12,744
Admin staff costs	Allocated on time basis	113,511	99,504
Auditor's remuneration (see note 10)	Governance	11,500	11,500
Legal & professional fees	Governance	38,987	35,288
		<u>173,324</u>	<u>159,036</u>

The notes form part of these financial statements

Red House School Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

9 NET MOVEMENT IN FUNDS

Net movement in funds is stated after charging:

	2022	2021
	£	£
Depreciation of tangible fixed assets - owned assets	150,673	123,888
Depreciation of tangible fixed assets – leased assets	3,576	5,364
(Profit)/ loss on disposal of tangible fixed assets – owned assets	0	(299)
Operating lease rentals	31,994	32,691
	<u>31,994</u>	<u>32,691</u>

10 AUDITOR'S REMUNERATION

	2022	2021
	£	£
Fees payable to the charity's auditor for the audit of the charity's annual accounts	11,500	11,500
Fees payable to the charity's auditor for other services	7,380	15,965
Fees payable to the charity's auditor in respect of the Teachers' pension plan	1,100	1,100
	<u>1,100</u>	<u>1,100</u>

11 TRUSTEES' AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES

The trustees neither received nor waived any remuneration during the year (2021: £Nil).

The total amount of employee remuneration benefits received by key management personnel is £419,718 (2021: £437,368).

The trustees did not have any expenses reimbursed during the year (2021: £Nil).

12 STAFF COSTS AND EMPLOYEE BENEFITS

The average monthly headcount was 85 staff (2021: 84 staff) and the average monthly full-time equivalent employees (FTE) during the year were as follows:

	2022	2021
Charitable activities	57	59
Governance	3	3
	<u>60</u>	<u>62</u>

The total staff costs and employees' benefits was as follows:-

	2022	2021
	£	£
Wages & salaries	2,215,285	2,166,765
Social security costs	207,887	198,359
Defined contribution pension costs	27,141	23,718
Defined benefit pension operating costs	342,061	337,825
	<u>2,792,374</u>	<u>2,726,667</u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2022	2021
	Number	Number
£70,001 - £80,000	1	-
£100,001 - £110,000	-	1
	<u>-</u>	<u>1</u>

The notes form part of these financial statements

Red House School Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2022**

13 INTEREST PAYABLE AND SIMILAR CHARGES

	2022	2021
	£	£
Bank loans and overdrafts	51,762	51,998
Finance lease	1,681	2,086
	<u>53,443</u>	<u>54,084</u>

14 TANGIBLE FIXED ASSETS

	Freehold property £	Property Improvements £	Fixtures and fittings £	Total £
Cost or deemed cost:				
At 1 September 2021	4,611,077	741,974	372,800	5,725,851
Additions	-	147,252	25,898	173,150
Disposals	-	-	-	-
	<u>4,611,077</u>	<u>889,626</u>	<u>398,698</u>	<u>5,899,001</u>
At 31 August 2022	4,611,077	889,626	398,698	5,899,001
Depreciation:				
At 1 September 2021	300,002	90,448	196,022	586,472
Charge for year	41,685	49,968	62,596	154,249
Elimination on disposals	-	-	-	-
	<u>341,687</u>	<u>140,416</u>	<u>258,618</u>	<u>740,721</u>
At 31 August 2022	341,687	140,416	258,618	740,721
Net book value:				
At 31 August 2022	<u>4,269,390</u>	<u>748,810</u>	<u>140,080</u>	<u>5,158,280</u>
At 31 August 2021	<u>4,311,075</u>	<u>651,526</u>	<u>176,778</u>	<u>5,139,379</u>

Included in the deemed cost of land and buildings is freehold land of £2,549,935 (2021: £2,549,935).

Tangible fixed assets held at deemed cost

The historic cost equivalent of land and buildings included at deemed cost are as follows:-

	2022	2021
	Land & Buildings £	Land & Buildings £
Cost	2,716,796	2,716,796
Accumulated depreciation	(782,949)	(741,264)
	<u>1,933,847</u>	<u>1,975,532</u>

Freehold land and buildings above were recognised using previous valuations as deemed cost on transition to SORP (FRS 102).

The notes form part of these financial statements

Red House School Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

14 TANGIBLE FIXED ASSETS – continued

Included in the total net book value of fixtures and fittings was £Nil (2021: £14,305) in respect of assets held under finance leases.

Details regarding tangible fixed assets pledged as security for liabilities of the charity are shown in notes 17, 18 and 19.

15 STOCKS

	2022	2021
	£	£
Uniforms	66,413	65,727
Food	3,350	3,629
Cleaning products	2,891	2,451
	<u>72,654</u>	<u>71,807</u>

All stock held is for charitable activities.

16 DEBTORS

	2022	2021
	£	£
Fees debtors	49,345	29,049
Other debtors	89,630	104,944
Prepayments & accrued income	20,105	17,631
	<u>159,080</u>	<u>151,624</u>

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans & overdrafts	92,658	90,104
Trade creditors	120,384	141,697
Other tax & social security	66,503	53,192
Other creditors	42,685	41,345
Fees in advance	579,120	509,850
Confirmation deposits received	5,600	8,600
Accruals & deferred income	20,805	55,244
Finance leases	-	5,839
	<u>927,755</u>	<u>905,871</u>

Bank loans and overdrafts totalling £1,888,153 (2021: £1,977,689) are secured by a first legal mortgage over all the freehold property and a mortgage debenture over all the charity's assets.

Finance leases are secured on the assets to which they relate.

The notes form part of these financial statements

Red House School Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

18 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans & overdrafts	1,795,495	1,887,585
Confirmation deposits received	63,200	62,000
	1,858,695	1,949,585

Bank loan terms of repayment are over 48 months and interest is payable at 2.5% above Yorkshire Bank's base rate.

Bank loans and overdrafts totalling £1,888,153 (2021: £1,977,689) are secured by a first legal mortgage over all the freehold property and a mortgage debenture over all the charity's assets.

19 LEASES

(a) Finance lease – lessee

Total future minimum finance lease payments are as follows:

	2022	2021
	£	£
Not later than one year	-	7,553
Later than one and not later than five years	-	-
	-	7,553
Less finance charges	-	1,714
	-	5,839

(b) Operating leases – lessee

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than one year	31,522	31,521
Later than one and not later than five years	18,670	46,717
	50,192	78,238

The notes form part of these financial statements

Red House School Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

20 FUND RECONCILIATION

Unrestricted funds

	Balance at 1 September 2021	Income	Expenditure	Balance at 31 August 2022
	£	£	£	£
Unrestricted	1,117,442	4,038,058	(3,856,007)	1,299,493
Revaluation reserve	2,335,543	-	-	2,335,543
	<u>3,452,985</u>	<u>4,038,058</u>	<u>(3,856,007)</u>	<u>3,635,036</u>

Restricted funds

	Balance at 1 September 2021	Income	Expenditure	Balance at 31 August 2022
	£	£	£	£
Capital fund	3,494	-	(616)	2,878
Graduate leader fund	3,740	-	(3,740)	-
	<u>7,234</u>	<u>-</u>	<u>(4,356)</u>	<u>2,878</u>

Fund descriptions

(a) Unrestricted funds

The unrestricted funds represent the cumulative net income and expenses of the charity.

(b) Revaluation reserve

The revaluation reserve represents the effect of the revaluation of land and buildings at the date of transition to SORP (FRS 102)

(c) Restricted funds

Capital fund:

This represents a donation of £3,800 towards the sports pitch and a £2,000 donation from the PTA towards the cost of a piano. Transfers will be made from the fund to offset depreciation charged on these assets.

Graduate leader fund:

This represents a grant from Stockton on Tees Borough Council to support staff training, development and recruitment to provide the best possible start for children and safeguard affordability of childcare provision for parents.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	5,155,402	2,878	5,158,280
Current assets	1,266,084	-	1,266,084
Current liabilities	(927,755)	-	(927,755)
Creditors more than one year	(1,858,695)	-	(1,858,695)
Total	<u>3,635,036</u>	<u>2,878</u>	<u>3,637,914</u>

The notes form part of these financial statements

Red House School Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

22 RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income for year	177,695	140,300
Investment income	-	(202)
Interest payable	53,443	54,084
Depreciation and loss on disposal of fixed assets	154,249	128,953
Decrease/(increase) in stock	(847)	(3,808)
(Increase)/decrease in debtors	(7,456)	13,767
(Decrease)/increase in creditors	(24,882)	(38,199)
Net cash flow from operating activities	<u>352,202</u>	<u>294,895</u>

23 ANALYSIS OF CHANGES IN NET DEBT

	Balance at 1 September 2021	Cash flow	Balance at 31 August 2022
	£	£	£
Cash and cash equivalents			
Cash at bank and in hand	952,865	81,485	1,034,350
Debt			
Debts falling due within 1 year	(95,943)	3,285	(92,658)
Debts falling due after 1 year	(1,887,585)	92,090	(1,795,495)
	<u>(1,983,528)</u>	<u>95,375</u>	<u>(1,888,153)</u>
	<u>(1,030,663)</u>	<u>176,860</u>	<u>(853,803)</u>

24 PENSIONS AND OTHER POST-RETIREMENT BENEFITS

(a) Defined contribution pension plans

The charity operates a defined contribution pension plan for some employees. The amount recognised as an expense in the year was £27,141 (2021: £23,718).

The defined contribution liability is allocated to unrestricted funds.

(b) Defined benefit pension plans

The teachers of the school belong to the Teachers' Pension Scheme England and Wales (TPS). The scheme is a defined benefit scheme. The total pension cost was £342,062 (2021: £337,825). At the year-end contributions of £41,005 (2021: £40,993) were outstanding at the balance sheet date.

The notes form part of these financial statements

Red House School Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

24 PENSIONS AND OTHER POST-RETIREMENT BENEFITS - continued

INTRODUCTION

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

THE TEACHERS' PENSION BUDGETING AND VALUATION ACCOUNT

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

VALUATION OF THE TEACHERS' PENSION SCHEME

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

The next valuation is expected to take effect in 2023.

A copy of the latest valuation report can be found by following this link to [the Teachers' Pension Scheme website](#)

SCHEME CHANGES

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, rejected the Government's application for permission to appeal the Court of Appeal's ruling and subsequently referred the case to an Employment Tribunal to determine a remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

Red House School Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

25 RELATED PARTY TRANSACTIONS

Information about related party transactions and outstanding balances is outlined below:

	Income £	Expenditure £	Outstanding Balances (Trade creditors) £	Commitments £
Agne Limited a company of which Mr S Costigan is a director				
At 31 August 2022	-	3,357	-	-
At 31 August 2021	-	8,052	245	-

The expenditure of £3,357 (2021: £2,455) relates to marketing costs and £Nil (2021: £5,597) relates to stationery, printing and signage.

26 FINANCIAL INSTRUMENTS

The carrying amounts of the charity's financial instruments are as follows:

	2022 £	2021 £
<i>Financial liabilities</i>		
Measured at amortised cost		
- Bank loans (see notes 17 and 18)	1,888,153	1,977,689
- Obligations under finance leases	-	5,839
	<u>1,888,153</u>	<u>1,983,528</u>

The expenses attributable the charity's financial instruments are summarised as follows:

	2022 £	2021 £
<i>Expenses</i>		
Financial liabilities measured at amortised cost		
Bank loan interest	(51,762)	(51,998)
Finance lease	<u>(1,681)</u>	<u>(2,086)</u>

The notes form part of these financial statements