

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020
FOR
ST. HUGH'S SCHOOL (WOODHALL SPA) LIMITED**

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FOR THE YEAR ENDED 31 AUGUST 2020**

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ST. HUGH'S SCHOOL (WOODHALL SPA) LIMITED

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2020**

TRUSTEES	R D J Bussell - Acting Chairman L J Mason T J Bogg Mrs C M Twigg W M Phelan A E Langsdale Mrs J C Vincent Mrs E C Would Dr R M Sharpe (appointed 9.11.20) I R Tyler (appointed 9.11.20) J R C Harris (resigned 2.3.20) J M Merritt (resigned 2.3.20) Mrs L M Reynolds (resigned 2.3.20) S D Herring (resigned 30.11.20)
REGISTERED OFFICE	Cromwell Avenue Woodhall Spa Lincolnshire LN10 6TQ
REGISTERED COMPANY NUMBER	00796794 (England and Wales)
REGISTERED CHARITY NUMBER	527611
INDEPENDENT AUDITORS	Forrester Boyd Waynflete House 139 Eastgate Louth Lincolnshire LN11 9QQ
BANKERS	Barclays Bank plc 35 High Street Horncastle Lincolnshire LN9 5HS
ACCOUNTANTS	Duncan & Toplis Limited 18 Northgate Sleaford Lincolnshire NG34 7BJ

ST. HUGH'S SCHOOL (WOODHALL SPA) LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objectives are to carry on and develop St Hugh's Preparatory School at Woodhall Spa for charitable educational purposes. These objectives are carried out in accordance with the company's Articles of Association.

This is achieved, not only by promoting academic excellence but by providing a happy and stimulating environment in which pupils can develop spiritually, mentally, and physically. To this end, St Hugh's School offers a broad and balanced academic curriculum, fully supported by a wide range of extra-curricular activities and the highest possible standard of pastoral care. Children of all religions and races aged from 2-13yrs are welcome at this co-educational day and boarding school.

In furtherance of these objectives a policy of sound financial management is adopted, ensuring the availability of the necessary funds to enable the school to continue its development and there has been no change in this policy during the year. No trustee has a beneficial interest in the company or has any shares in the company; their liability being limited by guarantee.

Public benefit

Having considered the operation, achievements, performance and finances of the school, the trustees are satisfied that public benefit has been provided in accordance with the Charities Act 2011 and the guidance published by the Charity Commission.

The School continues to work closely with the local community to ensure it is bringing public benefit to the community as a whole. Local groups, primary schools and organisations use some of the School's facilities such as the sports hall, Forbes hall, swimming pool and sports pitches.

Fundraising continues to play an important role in school life at St. Hugh's. The school's Remembrance Service, held in the parish church, was attended by many members of the school community and a visiting speaker from RAF Coningsby gave the address. Funds were raised to support both the RAF Benevolent Fund and to support the church. Prior to the pandemic, a Community Concert, where performances were given by over 60 children, raised funds for the upkeep of the church. The purchase of poppies throughout the school raised funds for the Royal British Legion. This was attended by the local community and residents of the local care homes were invited. In addition, over 100 shoeboxes were donated to the Samaritan's Christmas Shoebox appeal and charity days within the school years support charities including MacMillan Cancer, Nottingham Hospitals charity, Mind and the Matt Hampson Foundation.

STRATEGIC REPORT

Achievement and performance

Ethos

St. Hugh's School aims to provide a caring, family atmosphere allowing each child to develop their independence and individuality. St Hugh's equips your child for life!

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020

STRATEGIC REPORT

Achievement and performance

Educational aims

- > To offer a broad, stimulating curriculum that helps each and every child to develop and to fulfil their potential, both within and beyond the classroom.
- > To provide a happy and stimulating environment in which every child feels safe, valued and cared for.
- > To encourage the traditional values of courtesy, honesty and hard work, together with a sense of responsibility and consideration for others.
- > To promote an inclusive environment based on core British values and a Christian ethos.
- > To prepare children successfully for transfer to a wide range of senior schools.

The high standards of academic achievement continue and delivered significant success for those taking the 11+ examination for Lincolnshire Grammar Schools.

The context of the pandemic had an immediate effect on the delivery of education at the end of the spring term and throughout the summer term. A detailed and comprehensive Remote Learning programme was immediately implemented and Key Worker / Vulnerable children were able to attend school (subject to very strict criteria from the Department for Education). This programme remained in place through first half of the summer term for all children. Whilst some children were able to return on 1 June 2020 (EYFS and Year 6) to face to face teaching, others were unable to return until 21 June. By that time, all pupils returned to school and the school was clear that it was felt essential that all children benefited from at least some face to face learning but also, perhaps more importantly, the social opportunities presented by spending time with their peers before the summer break.

Despite the circumstances of the lockdown and pandemic, Year 8 (the senior pupils) were extremely successful in their final term. Common Entrance examinations were sat in school and successfully passed, allowing them to transfer to the senior schools of their choice with 5 scholarships also being awarded for academic prowess, sport and music.

Sporting enjoyment and achievement is high on St Hugh's agenda and current facilities include an indoor heated swimming pool, extensive sports pitches, including an all-weather pitch, a sports hall and theatre. Teams and individual pupils have competed at local, regional, and national levels with some notable successes in swimming and hockey in particular. Every child from Year 3 - 8 has represented the School at some stage during the year in all major sports and a key aspect of the school's sporting provision is to ensure that opportunities are in place for everyone, including opportunities to perform in a competitive environment in sport. Children are encouraged to do so out of school with notable successes including one Year 7 boy representing Lincolnshire at cricket.

Within the school, there is a thriving, well-equipped music department with over 70% of eligible pupils learning a musical instrument. These lessons are available to those who are novices as well as those who are more accomplished musicians. Supported by a team of peripatetic teachers, this is a key area of the school's co-curricular provision and is an area of focus moving forward. Groups, Orchestras, ensembles and choirs have performed at many concerts both in School and out in the wider community. These include regular services at our local parish church and the school choristers also performed (alongside St Andrew's Primary) at the Woodhall Spa Christmas Fayre, singing at the service by the memorial which was attended by a large portion of the community.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020**

STRATEGIC REPORT

Achievement and performance

Provision for Art and Drama is excellent with the Nativity and the Junior and Senior plays being very popular highlights on the School calendar. A broad range of trips and activities have taken place through the year including residential trips to France for pupils in Year 7. The traditional residential for Year 5 to France was cancelled due to the pandemic, and the Year 8 Outward Bound trip was also cancelled. Despite this, a programme for year 8 in their last week was put in place. This gave them leadership and adventurous opportunities and allowed them to round off their time as pupils at St. Hugh's in a positive and well-received fashion. A number of day trips took place during the year for all age groups, including a trip to a chocolate factory for year 3, a sculpture workshop to Burghley for year 8, visits for the various year groups to a mosque and a mandir and a geography trip to Snipe Dales. The cost of all curriculum related trips is incorporated into the school fee.

St Hugh's benefits from the generosity and hard work of a thriving parent body. Although interrupted by the pandemic, the Parents' Association continues to arrange events which provide social opportunities for parents, staff and children also raises important revenue for medium level projects. The support of such a positive body of parents does much for the school and underpins the sense of community that is prevalent at St Hugh's.

Financial review

Financial position

Despite the pandemic, there has been an increase in pupil numbers in the last year, the average number of pupils registered with the School was 162. The circumstances of the pandemic had an immediate impact on the parent body at St. Hugh's. As with much of the country, the period immediately following the start of the first lockdown was unsettling for all and a number of parents were supported through this period.

Due to the unknown impact that the pandemic would potentially have back in March 2020, the prudent decision was made to defer planned refurbishment works that were budgeted for, to protect the school from a potentially damaging in-year deficit. Through a combination of careful financial management and an excellent teaching provision, fee income wasn't significantly impacted. The school delivered a surplus for the year of £98,096 compared to a surplus in 2019 of £3,399. It is not the intention of the trustees to make a surplus for the year at this level. The trustees will reinvest this surplus by recommending these planned refurbishment works to improve the facilities and amenities available to the pupils.

Significant additional expenditure was incurred as result of the necessary measures to make the school site COVID19 secure; this included additional PPE, cleaning materials and resources for classrooms and minibuses.

Principal funding sources

The principle funding source for the school are school fees.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020**

STRATEGIC REPORT

Financial review

Reserves policy

The unrestricted funds stood at £1,510,586 in 2020 (2019 - £1,412,490) as at the year end, which was all deployed as part of the school premises and equipment.

The trustees consider that free reserves of three months' expenditure would be ideal in order to cover the risks and uncertainties of operating as an independent educational establishment. This figure is calculated excluding the school's land and buildings. At present excluding the charity's land and buildings would leave the schools reserves below this level.

The school buildings are shown in the balance sheet at their historical cost. The actual market value is believed to be considerably higher than this, but a revaluation is not considered appropriate as it is felt that this would distort the balance sheet and give a false impression of the reserves available to the school.

The policy is therefore to continue building up reserves out of annual operating surplus until this level is reached, subject to prior demands of further capital expenditure to equip the school with up to date facilities needed to maintain the standard of educational services currently provided.

It is considered that the school's current financial position is sufficient for it to continue to meet its objectives for the foreseeable future. The board keep the school's activities under review, particularly with regard to any major risks that may arise from time to time. They also monitor the effectiveness of the system of internal controls and other viable means, including insurance cover, where appropriate, by which those risks already identified can be mitigated.

Principal risks and uncertainties

The trustees examine the major risks that the school faces each financial year when preparing and updating the strategic plan. The charity continually develops systems to monitor and control these risks to mitigate any future impact on the school. A major risk to financial stability is the number of pupils attending the school and detailed records of pupil numbers are maintained in order to monitor fluctuations and promote appropriate reaction in a timely manner. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and close monitoring of the charity's budgets during the year.

Future plans

The School plans to continue with the activities shown in the SOFA. In addition:

- > The School will look to continue to offer and expand the age range of the holiday club provision.
- > The School will look to update the estate to bring the quality of the accommodation and facilities into line with the educational aims of the school and with the school's ambition to be a pioneering Prep school.
- > The Visible Learning programme continues to support the children and staff and enhances the academic provision throughout the School.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The Governing Body embodies a group of trustees from a cross section of professional disciplines relevant to the long term running of the School. Trustees are appointed with educational, financial, legal and other commercial experience including at least one representative from parents of current pupils at the School and ensuring strong relationships with all related parties e.g. parents, staff, prospective parents, senior schools and the local business community. Under the Articles of Association, trustees must not number fewer than seven.

Prospective new trustees are proposed by the Board for their professional experience and qualifications and are invited to attend a Board Meeting as observers and to meet other trustees in order to gain an understanding of the School and its ethos. Provided this process is mutually successful they are put forward for election at a full trustees' meeting. New trustees are inducted into the workings of the School and also of the Company as a registered charity and are instructed in the expectation of the Governing Body. An initial visit affords the opportunity to meet the Head, the staff and the pupils and observe the School at work. A number of internal and external training courses are available to trustees to ensure they keep updated on current developments.

The trustees meet as a Board at least three times a year to determine the general policy of the School and review its overall management and control for which they are legally responsible. Finance, Education, Health & Safety and Marketing sub committees meet termly and report any progress to the Governing Board. Certain trustees also hold specific roles i.e. responsibility for safeguarding and boarding. Trustees learn first-hand how the school operates on pre-arranged visits to specific areas of the School. This ensures that they are more aware of the School's needs and are well equipped to support them. The day to day running of the School is delegated to the Headmaster, supported by members of the Senior Leadership Team and together this group are the Key Management Personnel.

Key management remuneration

Staff remuneration is set by the trustees, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the school's success. The appropriateness and relevance of the remuneration policy is reviewed annually and ensures that the school remains sensitive to the broader issues of pay and employment conditions elsewhere. Delivery of the school's charitable vision and purpose is primarily dependent in its personnel and staff costs are the largest single element of its charitable expenditure.

Senior leadership team

The trustees delegate day to day management of the charity to the Senior leadership team. This team is made up of:

- Mr J Wyld, Headmaster
- Mr G Sinnott, Director of Studies
- Mr R Goodhand, Head of Pastoral care
- Mrs N Wallis, Head of Pre-prep

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of St. Hugh's School (Woodhall Spa) 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping 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.

In so far as the trustees are aware:

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

AUDITORS

The auditors, Forrester Boyd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 18 March 2021 and signed on the board's behalf by:



R D J Bussell - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ST. HUGH'S SCHOOL (WOODHALL SPA) LIMITED**

Opinion

We have audited the financial statements of St. Hugh's School (Woodhall Spa) Limited (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ST. HUGH'S SCHOOL (WOODHALL SPA) LIMITED**

Matters on which we are required to report by exception

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

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the 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.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ST. HUGH'S SCHOOL (WOODHALL SPA) 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.



- Adam Millson ACA (Senior Statutory Auditor)
for and on behalf of Forrester Boyd
Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

Date: 18th March, 2021

ST. HUGH'S SCHOOL (WOODHALL SPA) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	83,547	-	83,547	1,026
Charitable activities	5				
School fees receivable		1,600,678	-	1,600,678	1,621,771
Other educational income		247,967	-	247,967	381,077
Other trading activities	3	22,505	-	22,505	23,443
Investment income	4	16,205	-	16,205	36,301
Other income		6,879	-	6,879	30,718
Total		1,977,781	-	1,977,781	2,094,336
EXPENDITURE ON					
Raising funds	6	21,043	-	21,043	16,260
Charitable activities	7				
Teaching costs		93,482	-	93,482	229,397
Staff costs		1,356,983	-	1,356,983	1,336,973
Support and welfare costs		185,112	-	185,112	238,827
Premises costs		175,567	-	175,567	225,905
Financing costs		7,978	-	7,978	6,169
Depreciation costs		39,520	-	39,520	37,406
Total		1,879,685	-	1,879,685	2,090,937
NET INCOME		98,096	-	98,096	3,399
RECONCILIATION OF FUNDS					
Total funds brought forward		1,412,490	-	1,412,490	1,409,091
TOTAL FUNDS CARRIED FORWARD		1,510,586	-	1,510,586	1,412,490

The notes form part of these financial statements

ST. HUGH'S SCHOOL (WOODHALL SPA) LIMITED

STATEMENT OF FINANCIAL POSITION
31 AUGUST 2020

	Notes	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	13	1,690,283	-	1,690,283	1,691,739
CURRENT ASSETS					
Stocks	14	31,229	-	31,229	34,822
Debtors	15	495,399	-	495,399	449,281
Cash at bank and in hand		140,546	-	140,546	115,796
		<u>667,174</u>	<u>-</u>	<u>667,174</u>	<u>599,899</u>
CREDITORS					
Amounts falling due within one year	16	(767,599)	-	(767,599)	(805,035)
NET CURRENT ASSETS		<u>(100,425)</u>	<u>-</u>	<u>(100,425)</u>	<u>(205,136)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,589,858	-	1,589,858	1,486,603
CREDITORS					
Amounts falling due after more than one year	17	(79,272)	-	(79,272)	(74,113)
NET ASSETS		<u>1,510,586</u>	<u>-</u>	<u>1,510,586</u>	<u>1,412,490</u>
FUNDS	20				
Unrestricted funds				1,510,586	1,412,490
TOTAL FUNDS				<u>1,510,586</u>	<u>1,412,490</u>

The financial statements were approved and authorised for issue by the Board of Trustees and authorised for issue on 18th March, 2021 and were signed on its behalf by:


R D J Bussell - Trustee


T J Bogg - Trustee

The notes form part of these financial statements

ST. HUGH'S SCHOOL (WOODHALL SPA) LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	57,078	51,341
Interest paid		(164)	(243)
Interest element of hire purchase payments paid		(1,861)	(1,352)
Net cash provided by operating activities		<u>55,053</u>	<u>49,746</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(38,064)	(87,341)
Sale of tangible fixed assets		4,000	17,032
Interest received		517	388
Net cash used in investing activities		<u>(33,547)</u>	<u>(69,921)</u>
Cash flows from financing activities			
New hire purchase agreements		-	42,360
Hire purchase repayments in year		3,244	(7,766)
Net cash provided by financing activities		<u>3,244</u>	<u>34,594</u>
Change in cash and cash equivalents in the reporting period		<u>24,750</u>	<u>14,419</u>
Cash and cash equivalents at the beginning of the reporting period		<u>115,796</u>	<u>101,377</u>
Cash and cash equivalents at the end of the reporting period		<u><u>140,546</u></u>	<u><u>115,796</u></u>

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income for the reporting period (as per the Statement of Financial Activities)	98,096	3,399
Adjustments for:		
Depreciation charges	39,520	37,406
Profit on disposal of fixed assets	(4,000)	(17,032)
Interest received	(517)	(388)
Interest paid	164	243
Interest element of hire purchase and finance lease rental payments	1,861	1,352
Decrease/(increase) in stocks	3,593	(5,734)
Increase in debtors	(46,118)	(28,670)
(Decrease)/increase in creditors	(35,521)	60,765
Net cash provided by operations	<u>58,939</u>	<u>52,693</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.19 £	Cash flow £	At 31.8.20 £
Net cash			
Cash at bank and in hand	<u>115,796</u>	<u>24,750</u>	<u>140,546</u>
	<u>115,796</u>	<u>24,750</u>	<u>140,546</u>
Debt			
Finance leases	<u>(34,594)</u>	<u>(3,244)</u>	<u>(37,838)</u>
	<u>(34,594)</u>	<u>(3,244)</u>	<u>(37,838)</u>
Total	<u>81,202</u>	<u>21,506</u>	<u>102,708</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

Fees receivable are accounted for in the year in which the service is provided after deducting bursaries, scholarships and other remissions granted by the school.

The school invoices pupils termly in advance. These invoices are deferred until the start of the term to which they relate.

Donations are recognised and accounted for when received or when the contractual obligation to pay arises. Donations subject to specific wishes of the donors are carried to restricted funds. Donations received for the general purpose of the School are credited to unrestricted funds.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Expenditure is allocated to expense headings on direct cost basis except for central costs, which are apportioned on the basis of management estimates of time spent on the relevant function.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 1% on cost
Plant and machinery	- 15% on reducing balance
Motor vehicles	- 15% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the Statement of Financial Position. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Asset acquired under hire purchase contracts are capitalised in the statement of financial position. The assets are depreciated over their expected useful life. The interest element of payments is charged to the profit and loss account over the relevant period. The capital element of future payments is treated as a liability in the balance sheet.

Pension costs and other post-retirement benefits

The company operates a defined contribution scheme for the benefit of its non-teaching employees. The costs of contributions are written off against profits in the year they are payable.

Retirement benefits to teachers of the School are provided by the Teachers' Pension Scheme ('TPS'). This is a defined benefit scheme contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the school. The TPS is an unfunded scheme and contributions 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 the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in the notes to the financial statements, 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.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for the next 12 months. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Specifically in connection with the current economic climate, the trustees have considered the impact of COVID-19 on the school and they are satisfied that there is sufficient financial headroom to continue operating for at least the next twelve months. For this reason the financial statements have been prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	-	1,026
Grants	83,547	-
	<u>83,547</u>	<u>1,026</u>

Grants received, included in the above, are as follows:

	2020	2019
	£	£
Coronavirus Job Retention Scheme	<u>83,547</u>	<u>-</u>

3. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Shop income	<u>22,505</u>	<u>23,443</u>

4. INVESTMENT INCOME

	2020	2019
	£	£
Rents received	15,688	35,913
Deposit account interest	517	388
	<u>16,205</u>	<u>36,301</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		2020	2019
	Activity	£	£
Boarding pupils	School fees receivable	74,465	61,664
Day pupils	School fees receivable	1,526,213	1,560,107
Pupils extras	Other educational income	102,106	181,678
Nursery	Other educational income	62,082	91,278
Early years funding	Other educational income	57,918	60,750
SEN funding	Other educational income	25,861	47,371
		<u>1,848,645</u>	<u>2,002,848</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020

6. RAISING FUNDS

Other trading activities

	2020	2019
	£	£
Purchases	<u>21,043</u>	<u>16,260</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Teaching costs	93,482	-	93,482
Staff costs	1,356,983	-	1,356,983
Support and welfare costs	163,823	21,289	185,112
Premises costs	175,567	-	175,567
Financing costs	2,025	5,953	7,978
Depreciation costs	39,520	-	39,520
	<u>1,831,400</u>	<u>27,242</u>	<u>1,858,642</u>

8. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Support and welfare costs	-	21,289	21,289
Financing costs	5,953	-	5,953
	<u>5,953</u>	<u>21,289</u>	<u>27,242</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Auditors' remuneration	5,460	5,210
Depreciation - owned assets	23,305	27,953
Depreciation - assets on hire purchase contracts and finance leases	16,215	9,453
Surplus on disposal of fixed assets	(4,000)	(17,032)
Accountancy fees	<u>10,526</u>	<u>10,686</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2020 nor for the year ended 31 August 2019.

Trustees' expenses

	2020	2019
	£	£
Trustees' expenses	<u>370</u>	<u>1,023</u>

Expenses were reimbursed to two trustees during the year for travel expenses.

11. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	1,089,179	1,120,402
Social security costs	89,364	93,387
Other pension costs	178,440	123,184
	<u>1,356,983</u>	<u>1,336,973</u>

The average monthly number of employees during the year was as follows:

	2020	2019
Teaching staff	35	34
Domestic staff	15	14
Administration staff	4	3
	<u>54</u>	<u>51</u>

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

	2020	2019
£60,001 - £70,000	<u>1</u>	<u>1</u>

Pension contributions for the member of staff amounted to £15,392 (2019 - £10,388).

Redundancy and termination payments totalling £Nil (2019 - £1,000) were paid to members of staff during the year.

The aggregate remuneration and benefits received by key management personnel was £267,039 (2019 - £248,480). Key management personnel are the senior leadership team.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,026	-	1,026
Charitable activities			
School fees receivable	1,621,771	-	1,621,771
Other educational income	381,077	-	381,077
Other trading activities	23,443	-	23,443
Investment income	36,301	-	36,301
Other income	30,718	-	30,718
Total	2,094,336	-	2,094,336
EXPENDITURE ON			
Raising funds	16,260	-	16,260
Charitable activities			
Teaching costs	229,397	-	229,397
Staff costs	1,336,973	-	1,336,973
Support and welfare costs	238,827	-	238,827
Premises costs	225,555	350	225,905
Financing costs	6,169	-	6,169
Depreciation costs	37,406	-	37,406
Total	2,090,587	350	2,090,937
NET INCOME/(EXPENDITURE)	3,749	(350)	3,399
RECONCILIATION OF FUNDS			
Total funds brought forward	1,408,741	350	1,409,091
TOTAL FUNDS CARRIED FORWARD	1,412,490	-	1,412,490

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020

13. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 September 2019	1,847,687	557,177	118,483	2,523,347
Additions	15,525	-	22,539	38,064
Disposals	-	-	(55,463)	(55,463)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2020	1,863,212	557,177	85,559	2,505,948
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 September 2019	263,211	503,481	64,916	831,608
Charge for year	18,632	8,054	12,834	39,520
Eliminated on disposal	-	-	(55,463)	(55,463)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2020	281,843	511,535	22,287	815,665
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 August 2020	1,581,369	45,642	63,272	1,690,283
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2019	1,584,476	53,696	53,567	1,691,739
	<hr/>	<hr/>	<hr/>	<hr/>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 September 2019	63,020
Additions	22,539
	<hr/>
At 31 August 2020	85,559
	<hr/>
DEPRECIATION	
At 1 September 2019	9,453
Charge for year	16,215
	<hr/>
At 31 August 2020	25,668
	<hr/>
NET BOOK VALUE	
At 31 August 2020	59,891
	<hr/>
At 31 August 2019	53,567
	<hr/>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020

14. STOCKS

	2020	2019
	£	£
Stocks	<u>31,229</u>	<u>34,822</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	454,052	402,393
Other debtors	13,819	-
Prepayments and accrued income	27,528	46,888
	<u>495,399</u>	<u>449,281</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Hire purchase (see note 18)	11,382	8,472
Trade creditors	44,268	65,686
Social security and other taxes	26,867	26,938
Accruals and deferred income	685,082	703,939
	<u>767,599</u>	<u>805,035</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Hire purchase contracts (see note 18)	26,456	26,122
Accruals and deferred income	52,816	47,991
	<u>79,272</u>	<u>74,113</u>

Deferred income represents the fees in advance scheme. This is cash received in advance for fees which will be applied against fees chargeable in the future.

	2020	2019
	£	£
Opening balance	16,961	29,776
New deposits	-	-
Fee payments	(12,870)	(12,815)
	<u>4,091</u>	<u>16,961</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2020	2019
	£	£
Net obligations repayable:		
Within one year	11,382	8,472
Between one and five years	26,456	26,122
	<u>37,838</u>	<u>34,594</u>
	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	19,315	19,315
Between one and five years	18,378	30,352
	<u>37,693</u>	<u>49,667</u>

19. SECURED DEBTS

The following secured debts are included within creditors:

	2020	2019
	£	£
Hire purchase contracts	<u>37,838</u>	<u>34,594</u>

The hire purchase liability is secured on the underlying assets.

20. MOVEMENT IN FUNDS

	At 1.9.19	Net movement in funds	At 31.8.20
	£	£	£
Unrestricted funds			
General fund	1,412,490	98,096	1,510,586
	<u>1,412,490</u>	<u>98,096</u>	<u>1,510,586</u>
TOTAL FUNDS	<u>1,412,490</u>	<u>98,096</u>	<u>1,510,586</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020

20. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,977,781	(1,879,685)	98,096
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,977,781</u>	<u>(1,879,685)</u>	<u>98,096</u>

Comparatives for movement in funds

	At 1.9.18 £	Net movement in funds £	At 31.8.19 £
Unrestricted funds			
General fund	1,408,741	3,749	1,412,490
Restricted funds			
General fund	350	(350)	-
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,409,091</u>	<u>3,399</u>	<u>1,412,490</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,094,336	(2,090,587)	3,749
Restricted funds			
General fund	-	(350)	(350)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,094,336</u>	<u>(2,090,937)</u>	<u>3,399</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020

20. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.18 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
General fund	1,408,741	101,845	1,510,586
Restricted funds			
General fund	350	(350)	-
TOTAL FUNDS	<u>1,409,091</u>	<u>101,495</u>	<u>1,510,586</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,072,117	(3,970,272)	101,845
Restricted funds			
General fund	-	(350)	(350)
TOTAL FUNDS	<u>4,072,117</u>	<u>(3,970,622)</u>	<u>101,495</u>

21. EMPLOYEE BENEFIT OBLIGATIONS

The school's teachers belong to the Teachers' Pension Scheme England and Wales (TPS). The pension charge for the year includes contributions payable to the TPS of £171,176 (2019 - £116,483) and at the year-end £19,327 (2019 - £15,560) was accrued in respect of contributions to this scheme.

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 in schools 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 to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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 every 4 years. 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. The valuation report was published by the Department for Education on 5 March 2019.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020**21. EMPLOYEE BENEFIT OBLIGATIONS - continued**

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- 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
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

Defined contribution scheme

The company operates a defined contribution pension scheme for non-teaching employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £7,157 (2019 - £6,655). Contributions totalling £1,456 (2019 - £1,442) were payable to the fund at the year-end and are included in creditors.

22. CAPITAL COMMITMENTS

	2020	2019
	£	£
Contracted but not provided for in the financial statements	<u> - </u>	<u>32,374</u>

23. RELATED PARTY DISCLOSURES

The charity is controlled by the trustees, who are also the directors for the purposes of company law.

During the financial year, £22,340 (2019 - £33,460) for marketing consultancy work was paid to Mrs C Twigg. At the year end, £440 (2019 - £Nil) was outstanding.

During the financial year, £14,461 (2019 - £14,232) for accountancy and business advisory services was paid to Duncan & Topliss Limited, a company in which Mrs L Reynolds' husband has significant influence. At the year end, £702 (2019 - £Nil) was outstanding.