

**West House School**

Governors' report and financial statements

For the year ended 31 August 2021

**West House School**  
**(A company limited by guarantee)**

**Contents**

---

	Page
<b>Reference and administrative details of the charity, its Governors and advisers</b>	1
<b>Governors' report</b>	2 - 9
<b>Independent auditor's report on the financial statements</b>	10 - 13
<b>Statement of financial activities</b>	14
<b>Balance sheet</b>	15
<b>Statement of cash flows</b>	16
<b>Notes to the financial statements</b>	17 - 35

**West House School**  
**(A company limited by guarantee)**

**Reference and administrative details of the charity, its Governors and advisers**  
**For the year ended 31 August 2021**

---

**Governors** J R Gittins Esq., Chair  
J A Cloughton Esq.  
I P P Crawford Esq.  
K D Phillips Esq.  
S A Blackledge Esq.  
Mrs A K Hayer  
Mrs C R Ashley

**Company registered number** 00634981

**Charity registered number** 528959

**Registered office** 24 St James Road  
Edgbaston  
Birmingham  
B15 2NX

**Secretary and Bursar** Mrs A Doyle

**Headmaster** A M J Lyttle

**Independent auditors** Dains LLP  
15 Colmore Row  
Birmingham  
B3 2BH

**Bankers** Lloyds Bank plc  
1 Calthorpe Road  
Birmingham  
B15 1QL

**West House School**  
**(A company limited by guarantee)**

**Governors' report**  
**For the year ended 31 August 2021**

---

The Governors present their annual report together with the audited financial statements of the charity for the year 1 September 2020 to 31 August 2021. The Annual report serves the purposes of both a Governors' report and a directors' report under company law. The Governors confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Structure, governance and management**

● **Constitution**

West House School is registered as a charitable company limited by guarantee, incorporated on 13 August 1959 (number 00634981) and registered as a charity on 10 April 1963 (number 528959). The company was incorporated under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

● **Methods of appointment or election of Governors**

The management of the charity is the responsibility of the Governors who are elected at Annual General Meetings to serve as life members or annual subscribing members, under the terms of the Articles of Association. There are 17 members whose liability is limited to a contribution of a maximum of £1 each. This guarantee will only apply when there is a deficiency of net assets upon liquidation. There are 7 members who are elected Governors.

At the next Annual General Meeting on 12th May 2021, one-third of the ordinary members shall retire from office in accordance with the Memorandum and Articles of Association and, being eligible, offer themselves for re-election.

● **Organisational structure and decision-making policies**

The Governors are legally responsible for the overall management and control of West House School. The charity is organised so that its Governors meet regularly to manage its affairs and formulate policy. The Governors actively review the major strategic, business and operational risks which the charity faces and confirm that they have established systems to mitigate significant risks. They also carry out a regular review of investments to ensure their suitability and also to ensure that proper diversification has been undertaken to mitigate risks.

The Headmaster and the Bursar are responsible for the day to day running of the charity and report to the Governors on a regular basis. Management accounts and budgets are presented each term and the school's fee structure is reviewed and approved enabling the Governors to ascertain the financial position of the charity, adopting suitable accounting practices and ensuring that SORP accounting procedures are followed. An established organisational structure, lines of reporting and authorisation and approval levels are in place.

**Structure, governance and management (continued)**

● **Policies adopted for the induction and training of Governors**

The charity's elected Governors are appointed at the Annual General Meeting on the basis of selection of nominees meeting the criteria set by the Board which stipulates eligibility, personal competence and specialist skills.

The Board seeks to engage a diverse range of professional experiences to bring a balanced judgement. Nominees are considered upon a retirement of a Governor from office and the skills needed to replace the post. Recruitment is generally from the local business community and the Board is particularly keen to appoint headteachers from independent schools and those with a good understanding of the requirements and needs of a preparatory school.

Governors are introduced to the working of the charity by spending time in school and by arranged meetings with the Headmaster and Bursar to be familiarised with the day to day procedures. Literature is provided on recommended practice for governance, strategic planning and training workshops.

● **Pay policy for key management personnel**

In the Governors' opinion, the key management personnel of West House School responsible for the direction, control, running and operation of West House School on a day to day basis consists of the Board of Governors and the senior management team consisting of the Headmaster, the Bursar and the other senior staff members.

All Governors give up their time freely; no Governor received remuneration during the year and no Governor expenses were reimbursed.

The pay of West House School's senior staff is reviewed annually to reflect high quality recruitment and staff retention and is normally increased based upon the position of West House School's finances and the cost of living in general.

● **Related party relationships**

Details of related party transactions are disclosed in note 26 to the financial statements.

● **Governors' indemnities**

The Governors and Trustees have Liability Insurance cover under a Professional Risk insurance policy. The cover is extended to include Principal, Governors, Trustees/Directors or Officers.

## **Objectives and activities**

### **• Objective and activities**

The object of the school is to advance high quality education delivered through day schooling for boys aged between four and eleven, and boys and girls aged from one to four years. Care for all age groups is available for 48 weeks of the year with extended care from 7.30am until 6.00pm.

The school's objects also provide for the creation and administration of scholarships, exhibitions and awards for the encouragement of study and learning. West House is a school with a particularly happy and caring atmosphere, with 125 years' experience of fostering academic, sporting, musical and artistic success. Our aim is to provide boys in Birmingham with an outstanding academic education, whilst giving them the freedom to have fun and the confidence to be themselves. The key features of the school are:

- A small school for boys with a happy family atmosphere
- A school that believes that breadth of education enhances achievement in all areas
- A school where boys achieve academic excellence, guided by a skilled, dedicated staff
- A school that contributes to the wider community

It is the wish of the charity that on leaving West House every individual will have happy memories of his or her time at the school and possess the skills, attributes and qualities necessary to thrive in the middle part of the 21st century.

In setting objectives and planning for activities, the Governors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. The main activities to further the charity's purposes for public benefit include:

### **• Access to education**

West House School is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. Fees are set at a level that ensures financial viability and allows the provision of an excellent education, consistent with membership of IAPS.

Bursary awards are available to all who meet the general entry requirements and are made on the basis of parental means or to relieve short-term hardship where a pupil's education and future prospects would otherwise be at risk, such as in the case of redundancy. In assessing means, a number of factors are taken into consideration, including family income, investments and savings and family circumstances, such as dependent relatives and number of siblings. All means tested awards are reviewed annually. The policy of awarding scholarships and means tested bursaries contributes to the widening of access to the education offered and the facilities available.

The school also offers Michael Pratt Scholarships and Michael Pratt Awards to pupils who display considerable gifts or talents. Such awards are designed to allow individual pupils to pursue such gifts or talents with the financial support of the school. The performance of pupils receiving Michael Pratt Scholarships and Awards is reviewed annually to ensure that their progress is in line with their abilities and that they are making an active contribution to the aims, ethos and expectations of the school. The Board of Governors reserves the right to remove such scholarships and awards.

Information about fee assistance is available from the Bursar and the availability of these awards is highlighted in local press and other publications. Discounts are also offered to families with more than one child at the school and to staff who choose to educate their children at the school.

**Objectives and activities (continued)**

● **Community engagement**

The school again demonstrated its commitment to benefitting the wider community through a variety of means subject to government COVID restrictions:

- The outdoor facilities were made available to local clubs and businesses.
- Donations were made to Harborne Cricket Club and Birmingham Moseley Rugby club for the benefit of youth players.
- The school also continued to support Woodgate Valley Urban Farm via sponsorship and pupils raised money for Children in Need, Sport Relief, Edward's Trust and St. Mary's Hospice.

● **Objectives for the year**

In planning the objectives for the year the Governors 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 fee charging.

It is an ongoing objective of the school that pupil numbers are maintained and that the successes of its pupils, both academic and non-academic, are continued and enhanced through the appointment of highly qualified staff. However, these objectives are set within the context of specific goals for the school and its pupils including those listed below. During the year the school sought to:

1. Maintain academic and non-academic standards through the appointment of highly qualified practitioners, rigorous performance management and appropriate training of existing staff.
2. Further enhance the partnership with a local independent school for girls.
3. Continue to support the local community.
4. To carry out a full review of the school's strategic plan.
5. To improve facilities for existing pupils through the development of a second dining room and outdoor sports facilities.
6. To make Michael Pratt Scholarships and Awards available.
7. To place an increased emphasis on the emotional and mental wellbeing of members of the school community.
8. To carry out extensive market research and to review the school's marketing and PR strategy.
9. To carry out a full curriculum review with an emphasis on the future teaching of languages, science and technology.

## **Achievements and performance**

### **● Impact of COVID-19 pandemic**

The impact of the COVID-19 pandemic resulted in a small number of the planned objectives for the year being placed on hold as the school responded to the ongoing circumstances surrounding the management of the situation and the impact on education. While the school continued to advance education to all pupils, via remote learning where necessary, the Board of Governors maintained fees at the levels of the previous year. The school reduced overheads to a minimum through the postponement of various projects and accessed the Government Job Retention Scheme.

1. The performance management process was reintroduced on a 'light touch' basis.
2. A number of events were scheduled to take place during the course of the year, aimed at embracing all members of the West House Community – many of these were cancelled or postponed.
3. A number of Activity Days were arranged with Edgbaston High School for Girls with each of the schools taking it in turn to host the events – these were postponed.
4. A programme of updating and renewing lighting throughout the school site continued.
5. Applications for bursaries and Michael Pratt Scholarships were, once again, invited. A small number of 125th Anniversary Awards were made. All other 125th Anniversary events were cancelled.

### **● Review of achievements and performance for the year**

The achievements and performance for the year were heavily impacted by the COVID-19 pandemic with a shift in objectives as the school responded to the demands of remote and hybrid teaching.

With the normal cycle of performance management necessarily placed on hold until the end of the year, the focus of staff development continued to be on improving remote learning skills. This resulted in a number of staff upskilling significantly and the school's remote learning provision improving rapidly during the first part of the year towards live lessons.

However, the year 2020 – 2021 once again saw the school maintain stability in terms of both numbers and reputation. High standards of education and care in a safe and stimulating environment were maintained in spite of the pandemic and the school continued to meet the physical, social and emotional needs of each pupil with outstanding success. Additional support was offered to those pupils who found working remotely particularly challenging.

By the end of the year there were 349 pupils on the roll (2020: 354), with 122 children in the Early Years Foundation Stage (2020: 123), representing stability with the previous year.

Means tested bursary awards were awarded in line with school policy and 16 pupils benefitted from such awards (2020: 12). Fifteen existing pupils benefitted from Michael Pratt Awards (2020: 7) with additional awards having been presented in celebration of the 125th Anniversary of the school.

External examination results reflected the commitment by the school to maintaining the highest standards of academia. 97% of leavers were offered at least one of their chosen selective secondary school places (2020: 95%). 49% of candidates were offered places at King Edward's School, Birmingham (2020: 53%). Three academic scholarships and one double scholarship in music and academics were awarded to King Edward's School. In all, West House boys were awarded 19 academic scholarships, 2 music scholarships and one art scholarship to leading independent schools.

### **Achievements and performance (continued)**

The school remained committed to the provision of a broad and balanced curriculum and pupils were afforded the opportunity to excel in a variety of areas, including art, drama, MFL and sport. The contribution of these curricular areas was significant even during the period of enforced remote learning with staff presenting innovative ways in which to deliver their specific subject areas. The introduction of the Enrichment Learning Grid allowed pupils the opportunity to explore individual interests while the creation of the Wellbeing, Health and Safety (WHS) HUB allowed introduced a dedicated space for wellbeing and emotional support.

The school created permanent additional dining space and refurbished the outdoor sports facilities by way of resurfacing the all-weather playing area, creating an open-air basketball court and relocating the cricket practice nets.

The Board embarked on the development of a strategic plan to ensure the school's continued realisation of its vision statement. The introduction of strategy meetings saw the production of strategic priorities to take the school forward over the next five to ten years. A Marketing and PR manager was appointed during the year and a review of the school's branding commenced as part of this process.

#### **● Plans for future periods**

The Governors intend to continue their current strategies of maintaining the school's position in a highly competitive market by investing to provide high quality education for all pupils. Achieving a high standard of academic results is a constant objective, while at the same time providing a broad and balanced education. The Board has also made a commitment to ensure that in the event of future requirements for remote learning, the school is well equipped in terms of staff skills, mobile devices and infrastructure.

The school's future plans will be financed primarily from fee income and reserves. The Governors will maintain an equitable balance ensuring that current pupils benefit whilst, at the same time, ensuring that a sound infrastructure and financial base are preserved for the next generation of pupils.

The Governors view bursary awards as important in widening access to the education provided by the school. Bursary awards will continue to be reviewed annually by the Headmaster in a bid to ensure that parents can accept offers of places for their children at the school through the availability of means-tested fee assistance.

The following represents the key objectives articulated within the School Development Plan to be achieved over the next five years:

1. To maintain a good pupil teacher ratio throughout the school and to recruit high quality staff.
2. To maintain academic and non-academic standards through the appointment of highly qualified practitioners and a rigorous system of appraisal linked to the agreed West House School Teaching Standards.
3. To review the curriculum with an emphasis on the teaching of MFL, RSE and STEM.
4. To further enhance the support provided to pupils with Special Educational Needs.
5. To further enhance links with the local community, a local independent school for girls and another local school.
6. The development of specialist teaching areas for expressive arts underlining the school's commitment to delivering a broad and balanced curriculum.
7. To create additional changing room facilities.
8. To consider the environmental sustainability of the school's activities and plans for development.

**Governors' report (continued)**  
**For the year ended 31 August 2021**

---

**Financial review**

● **Going concern**

After making appropriate enquiries, the Governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

● **Reserves policy**

The Governors have established a policy whereby the unrestricted funds held by the charity should be enough to cover one school term of expenditure. At this level the Governors feel that they would be able to continue the current activities of the charity. Unrestricted free reserves at 31 August 2021 were £1,120,200 (2020 - £919,763). The charity has both designated and restricted funds which are represented by investments and fixed assets. The purposes of these funds is detailed in note 19 to the accounts.

● **Material investments policy**

There are no restrictions on the charity's power to invest. The investment strategy is set by the Governors and takes account of demands for funds and income requirements and capital is invested in low risk investments.

● **Financial risk management objectives and policies**

The Governors have a duty to identify and review the risks to which the charity is exposed to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Governors have examined the major strategic, business and operational risks that the charity faces and confirm that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen these risks.

● **Financial review**

The Statement of Financial Activities shows incoming resources for the year of £3,421,547 (2020 - £3,368,534) and resources expended of £3,081,001 (2020 - £3,019,067). The net incoming resources for the year after investment gains are £341,668 (2020 - £349,605) and have been attributed to funds. Total funds carried forward are £4,136,851 (2020 - £3,795,183). Maintaining pupil numbers and good controls over operating costs have enabled the school to achieve a surplus.

Unrestricted and designated funds held by the charity as stated in the financial statements as 31st August 2021 are £4,126,338 (2020 - £3,785,899) and restricted funds total £10,513 (2020 - £9,294). The reserves are primarily to cover the expected future running costs and capital expenditure for all aspects of the organisation. The present level of incoming resources is adequate to support the continuation of the school's existing activities.

The Governors consider the results for the year and position at 31st August 2021 to be satisfactory.

The Governors have reviewed the financial forecasts and consider the future financial prospects of the school to be satisfactory.

### **Statement of Governors' responsibilities**

The Governors (who are also the directors of the charity for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial . Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 charity will continue in business.

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

### **Disclosure of information to auditors**

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

### **Auditors**

The auditors, Dains LLP, have indicated their willingness to continue in office. The designated Governors will propose a motion reappointing the auditors at a meeting of the Governors.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the members of the board of Governors on 19 May 2022 and signed on their behalf by:



**J R Gittins Esq.**  
Chairman

**Independent auditors' report to the Members of West House School**

---

**Opinion**

We have audited the financial statements of West House School (the 'charity') for the year ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Governors' 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 Governors with respect to going concern are described in the relevant sections of this report.

**Independent auditors' report to the Members of West House School (continued)**

---

**Other information**

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

We have nothing to report in this regard.

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

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

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

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Governors' report and from the requirement to prepare a Strategic report.

**Responsibilities of trustees**

As explained more fully in the Governors' responsibilities statement, the Governors (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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the 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 Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Independent auditors' report to the Members of West House School (continued)**

---

**Auditors' 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 Auditors' 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

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

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

**Independent auditors' report to the Members of West House School (continued)**

---

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


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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Andrew Morris FCA (Senior statutory auditor)**

for and on behalf of  
**Dains LLP**

Statutory Auditor  
Chartered Accountants

Birmingham

19 May 2022

**West House School**  
**(A company limited by guarantee)**

**Statement of financial activities (incorporating income and expenditure account)**  
**For the year ended 31 August 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Donations and legacies	4	23,488	-	23,488	99,921
Charitable activities	5	3,353,721	-	3,353,721	3,202,644
Other trading activities	6	24,614	-	24,614	40,105
Investments	7	19,627	97	19,724	25,864
<b>Total income</b>		<b>3,421,450</b>	<b>97</b>	<b>3,421,547</b>	<b>3,368,534</b>
<b>Expenditure on:</b>					
Charitable activities:	8				
School and Nursery		2,348,508	-	2,348,508	2,352,231
Support costs		732,493	-	732,493	666,836
<b>Total expenditure</b>		<b>3,081,001</b>	<b>-</b>	<b>3,081,001</b>	<b>3,019,067</b>
Net gains on investments		-	1,122	1,122	138
<b>Net movement in funds</b>		<b>340,449</b>	<b>1,219</b>	<b>341,668</b>	<b>349,605</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	19	3,785,889	9,294	3,795,183	3,445,578
Net movement in funds		340,449	1,219	341,668	349,605
<b>Total funds carried forward</b>	<b>19</b>	<b>4,126,338</b>	<b>10,513</b>	<b>4,136,851</b>	<b>3,795,183</b>

The notes on pages 17 to 35 form part of these financial statements.

**West House School**  
**(A company limited by guarantee)**  
**Registered number: 00634981**

**Balance sheet**  
**As at 31 August 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	<b>751,497</b>	541,734
Investments	13	<b>7,455</b>	6,333
		<b>758,952</b>	548,067
<b>Current assets</b>			
Stocks	14	<b>20,508</b>	23,002
Debtors	15	<b>117,741</b>	77,438
Investments	16	<b>250,756</b>	150,000
Cash at bank and in hand		<b>3,688,309</b>	3,397,039
		<b>4,077,314</b>	3,647,479
Creditors: amounts falling due within one year	17	<b>(699,415)</b>	(400,363)
<b>Net current assets</b>		<b>3,377,899</b>	3,247,116
<b>Total net assets</b>		<b>4,136,851</b>	3,795,183
<b>Charity funds</b>			
Restricted funds	19	<b>10,513</b>	9,294
Unrestricted funds	19	<b>4,126,338</b>	3,785,889
<b>Total funds</b>		<b>4,136,851</b>	3,795,183

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

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

The financial statements were approved and authorised for issue by the Governors on 19 May 2022 and signed on their behalf by:

*James Gittins*

**J R Gittins Esq.**  
Chairman

The notes on pages 17 to 35 form part of these financial statements.

**West House School**  
**(A company limited by guarantee)**

**Statement of cash flows**  
**For the year ended 31 August 2021**

	<b>Note</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	21	<b>672,677</b>	343,951
<b>Cash flows from investing activities</b>			
Interest and dividends from investments		<b>19,724</b>	25,864
Purchase of tangible fixed assets		<b>(300,375)</b>	(16,616)
<b>Net cash (used in)/provided by investing activities</b>		<b>(280,651)</b>	<b>9,248</b>
<b>Change in cash and cash equivalents in the year</b>		<b>392,026</b>	<b>353,199</b>
Cash and cash equivalents at the beginning of the year		<b>3,547,039</b>	3,193,840
<b>Cash and cash equivalents at the end of the year</b>	22	<b>3,939,065</b>	3,547,039

The notes on pages 17 to 35 form part of these financial statements

**1. General information**

West House School is a charity incorporated and registered in England and Wales. The registered company and charity numbers and registered office address are given on page 1 of these financial statements. The principal objectives and activities of the charity are set out in the Governors' Report.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to both years presented. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Company status**

The charity is a company limited by guarantee. The members of the company are elected at Annual General Meetings to serve as life members or annual subscribing members, under the terms of the Articles of Association. There are currently 17 members including 7 serving as elected Governors, as listed on page 1. 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.

**2.3 Going concern**

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

## **2. Accounting policies (continued)**

### **2.4 Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

School and nursery fees are recognised in the accounting period in which the related educational services are provided. Fees are stated after deducting allowances, scholarships, bursaries and other remissions granted by the school.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

### **2.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

### **2.6 Government grants**

Amounts received under the Government's Coronavirus Job Retention Scheme (CJRS) are credited to income in the Statement of financial activities during the period that the associated wages costs are recognised.

### **2.7 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

## **2. Accounting policies (continued)**

### **2.8 Tangible fixed assets and depreciation**

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

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

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

Depreciation is provided on the following bases:

Leasehold premises - Design Technology Block and other leasehold improvements	- 30 years with effect from 1 September 2017
Furniture, fittings, tools and equipment	- 7% to 20% straight-line

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

### **2.9 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Net gains on investments' in the Statement of financial activities.

### **2.10 Stocks**

Stocks of uniforms are valued at the lower of cost and net realisable value. Stocks of food and fuel are not valued.

### **2.11 Debtors**

Trade and other debtors are recognised at the settlement amount after any sibling discount offered. Any losses arising from impairment are recognised in expenditure.

### **2.12 Cash at bank and in hand**

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

## **2. Accounting policies (continued)**

### **2.13 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

### **2.14 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 which are subsequently measured at amortised cost using the effective interest method.

### **2.15 Operating leases**

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

### **2.16 Pensions**

The charity operates defined contribution pension schemes and the pension charge represents the amounts payable by the charity to the funds in respect of the year.

The charity's academic staff belong to the Teachers' Pension Scheme England and Wales (TPS). 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 academies. All teachers have the option to opt-out of the TPS following enrolment.

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.

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

**2. Accounting policies (continued)**

**2.17 Fund accounting**

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

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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

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

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

**Depreciation**

The Governors have reviewed the useful lives of fixed assets and associated residual values and concluded that they are appropriate to the activities of the charity.

**Bad and doubtful debts**

The Governors are required to exercise significant judgement in estimating the bad and doubtful debt provision, based on their assessment of the likelihood of recovery.

**Notes to the financial statements**  
**For the year ended 31 August 2021**

**4. Income from donations and legacies**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
West House School Parents' Association	6,500	<b>6,500</b>	-
Donations	1,000	<b>1,000</b>	1,000
Government grants	15,988	<b>15,988</b>	98,921
	<u>23,488</u>	<u><b>23,488</b></u>	<u>99,921</u>

The Charity furloughed certain staff under the Government's Coronavirus Job Retention Scheme (CJRS). The funding received of £15,988 (2020: £98,921) relates to claims made in respect of the year.

The total of the 2020 income above was wholly attributable to unrestricted funds.

**5. Income from charitable activities**

**School and Nursery**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Gross fees	3,565,093	<b>3,565,093</b>	3,339,138
Bursaries	(253,462)	<b>(253,462)</b>	(191,264)
Recovery of costs for extras and disbursements	42,090	<b>42,090</b>	54,770
	<u>3,353,721</u>	<u><b>3,353,721</b></u>	<u>3,202,644</u>

The total of the 2020 income above was wholly attributable to unrestricted funds.

**Notes to the financial statements**  
**For the year ended 31 August 2021**

**6. Income from other trading activities**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Hire of premises	8,987	<b>8,987</b>	10,643
Other fundraising activities	7,858	<b>7,858</b>	6,314
Sundry income	7,769	<b>7,769</b>	23,148
	<u>24,614</u>	<u><b>24,614</b></u>	<u>40,105</u>

The total of the 2020 income above was wholly attributable to unrestricted funds.

**7. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Interest on fixed asset investments	-	97	<b>97</b>
Interest receivable on short-term deposits	19,627	-	<b>19,627</b>
	<u>19,627</u>	<u>97</u>	<u><b>19,724</b></u>

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Interest on fixed asset investments	-	189	189
Interest receivable on short-term deposits	25,675	-	25,675
	<u>25,675</u>	<u>189</u>	<u>25,864</u>

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>
School and Nursery	2,348,508	732,493	<b>3,081,001</b>

	<b>Activities undertaken directly 2020 £</b>	<b>Support costs 2020 £</b>	<b>Total funds 2020 £</b>
School and Nursery	2,451,152	567,915	3,019,067

**Notes to the financial statements**  
**For the year ended 31 August 2021**

**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Staff costs	<b>1,844,963</b>	1,881,326
Staff agency fees	<b>59,980</b>	70,045
Rent, rates and insurance	<b>93,762</b>	110,590
Heat, light and water	<b>84,906</b>	97,849
Books, printing, stationery and materials	<b>124,184</b>	137,742
Leased equipment	<b>1,097</b>	1,981
Subscriptions	<b>51,967</b>	40,764
Bad debts	<b>1,922</b>	11,838
Depreciation of leasehold premises	<b>8,956</b>	8,956
Depreciation of other assets	<b>76,771</b>	90,061
	<b>2,348,508</b>	2,451,152

**Analysis of support costs**

	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Staff costs	<b>244,253</b>	151,100
Advertising and staff recruitment	<b>14,847</b>	31,468
Services and advice	<b>91,493</b>	70,861
Food, household expenses and laundry	<b>104,918</b>	93,133
Upkeep of gardens and grounds	<b>17,201</b>	24,198
Postage and telephone	<b>22,880</b>	24,161
Legal and professional	<b>3,335</b>	4,029
Repairs and renewals	<b>152,537</b>	100,213
ICT maintenance and support	<b>27,571</b>	24,848
Sundry expenses	<b>40,487</b>	29,959
Governance costs	<b>8,086</b>	9,060
Depreciation of other assets	<b>4,885</b>	4,885
	<b>732,493</b>	567,915

**Notes to the financial statements**  
**For the year ended 31 August 2021**

**9. Net movement in funds**

The net movement in funds is stated after charging:

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
Fees payable to the charity's auditor for the audit of the annual accounts	<b>7,100</b>	6,900
Other costs:		
Operating lease rentals - land and buildings	<b>61,480</b>	57,027
Operating lease rentals - office equipment	<b>1,097</b>	1,981
Depreciation	<b>90,612</b>	103,902
	<u><b>159,289</b></u>	<u>169,810</u>

**10. Staff costs**

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
Wages and salaries	<b>1,728,097</b>	1,685,643
Social security costs	<b>148,060</b>	142,857
Contributions to pension schemes	<b>213,059</b>	203,926
Agency staff	<b>59,980</b>	70,045
	<u><b>2,149,196</b></u>	<u>2,102,471</u>

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

	<b>2021</b>	<b>2020</b>
Teaching and Nursery	<b>54</b>	55
Support	<b>13</b>	13
Administration	<b>11</b>	11
	<u><b>78</b></u>	<u>79</u>

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

	<b>2021</b> <b>No.</b>	<b>2020</b> <b>No.</b>
In the band £90,001 - £100,000	<b>1</b>	1

**Notes to the financial statements**  
**For the year ended 31 August 2021**

**11. Governors' remuneration and expenses**

During the year, no Governors received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, no Governor expenses have been incurred (2020 - £NIL).

**12. Tangible fixed assets**

	Design Technology Block £	Other leasehold improvements £	Furniture, fittings, tools and equipment £	Total £
<b>Cost</b>				
At 1 September 2020	529,714	507,081	1,547,185	2,583,980
Additions	-	237,226	63,149	300,375
At 31 August 2021	529,714	744,307	1,610,334	2,884,355
<b>Depreciation</b>				
At 1 September 2020	403,201	388,808	1,250,237	2,042,246
Charge for the year	4,629	4,326	81,657	90,612
At 31 August 2021	407,830	393,134	1,331,894	2,132,858
<b>Net book value</b>				
At 31 August 2021	121,884	351,173	278,440	751,497
At 31 August 2020	126,513	118,273	296,948	541,734

**Notes to the financial statements**  
**For the year ended 31 August 2021**

**13. Fixed asset investments**

	<b>Unlisted investments £</b>
<b>Market valuation</b>	
At 1 September 2020	6,333
Revaluations	1,122
At 31 August 2021	<u>7,455</u>

**14. Stocks**

	<b>2021 £</b>	<b>2020 £</b>
Stock of uniforms etc.	<u>20,508</u>	<u>23,002</u>

**15. Debtors**

	<b>2021 £</b>	<b>2020 £</b>
Fees receivable	59,916	36,169
Other debtors	5,295	5,750
Prepayments and accrued income	52,530	35,519
	<u>117,741</u>	<u>77,438</u>

**16. Current asset investments**

	<b>2021 £</b>	<b>2020 £</b>
Short-term deposits	<u>250,756</u>	<u>150,000</u>

**Notes to the financial statements**  
**For the year ended 31 August 2021**

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Payments received in advance	<b>233,692</b>	163,321
Trade creditors	<b>293,386</b>	104,157
Deposits held	<b>56,400</b>	37,300
Other taxation and social security	<b>41,083</b>	39,374
Other creditors	<b>66,902</b>	47,760
Accruals and deferred income	<b>7,952</b>	8,451
	<b>699,415</b>	400,363

**18. Financial instruments**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	<b>7,455</b>	6,333
Financial assets measured at amortised cost	<b>4,004,276</b>	3,588,978
	<b>4,011,731</b>	3,595,311

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<b>658,332</b>	360,989

Financial assets measured at fair value through income and expenditure comprise unlisted fixed asset investments.

Financial assets that are debt instruments measured at amortised cost comprise fees receivable, other debtors and cash and cash equivalents.

Financial liabilities measured at amortised cost comprise trade and other creditors, payments received in advance, deposits held and accruals.

Notes to the financial statements  
For the year ended 31 August 2021

19. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Centenary Appeal	50,301	-	-	(50,301)	-	-
Michael Pratt Memorial	207,469	-	-	(58,433)	-	149,036
Building and Site Development	2,500,000	-	-	(500,468)	-	1,999,532
Excursion Support Fund	9,435	-	-	-	-	9,435
Short-term Financial Hardship Fund	98,921	-	(18,271)	15,988	-	96,638
Fixed assets	-	-	-	751,497	-	751,497
	<u>2,866,126</u>	<u>-</u>	<u>(18,271)</u>	<u>158,283</u>	<u>-</u>	<u>3,006,138</u>
<b>General funds</b>						
General funds	919,763	3,421,450	(3,062,730)	(158,283)	-	1,120,200
<b>Total Unrestricted funds</b>	<u>3,785,889</u>	<u>3,421,450</u>	<u>(3,081,001)</u>	<u>-</u>	<u>-</u>	<u>4,126,338</u>
<b>Restricted funds</b>						
S Lloyd Music	9,294	97	-	(750)	1,122	9,763
S Lloyd Awards	-	-	-	750	-	750
	<u>9,294</u>	<u>97</u>	<u>-</u>	<u>-</u>	<u>1,122</u>	<u>10,513</u>
<b>Total of funds</b>	<u>3,795,183</u>	<u>3,421,547</u>	<u>(3,081,001)</u>	<u>-</u>	<u>1,122</u>	<u>4,136,851</u>

Notes to the financial statements  
For the year ended 31 August 2021

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Centenary Appeal	52,141	-	-	(1,840)	-	50,301
Michael Pratt Memorial	238,777	-	-	(31,308)	-	207,469
Building and Site Development	500,000	-	-	2,000,000	-	2,500,000
Excursion Support Fund	-	-	-	9,435	-	9,435
Short-term Financial Hardship Fund	-	-	-	98,921	-	98,921
	<u>790,918</u>	<u>-</u>	<u>-</u>	<u>2,075,208</u>	<u>-</u>	<u>2,866,126</u>
<b>General funds</b>						
General funds	<u>2,645,693</u>	<u>3,368,345</u>	<u>(3,019,067)</u>	<u>-</u>	<u>-</u>	<u>919,763</u>
<b>Total Unrestricted funds</b>	<u>3,436,611</u>	<u>3,368,345</u>	<u>(3,019,067)</u>	<u>2,075,208</u>	<u>-</u>	<u>3,785,889</u>
<b>Restricted funds</b>						
S Lloyd Music	<u>8,967</u>	<u>189</u>	<u>-</u>	<u>-</u>	<u>138</u>	<u>9,294</u>
<b>Total of funds</b>	<u><u>3,445,578</u></u>	<u><u>3,368,534</u></u>	<u><u>(3,019,067)</u></u>	<u><u>2,075,208</u></u>	<u><u>138</u></u>	<u><u>3,795,183</u></u>

**Notes to the financial statements**  
**For the year ended 31 August 2021**

**Purpose of funds**

***Designated funds***

Centenary Appeal - represents donations and other income received to partially fund the construction of the Design Technology Block. This has been transferred into the designated fixed asset fund.

Michael Pratt Memorial - represents funding to be used at the discretion of the governors on scholarships, bursaries and any other similar causes.

Building and Site Development - represents funds earmarked by the charity in anticipation of the potential development of buildings on the site occupied by the school.

Excursion Support Fund - represents accumulated surpluses on school excursions to be utilised to subsidise future trips.

Short-term Financial Hardship Fund - represents funds set aside by the governors for future hardship awards.

Fixed assets - represents unrestricted funds tied up in the fixed assets of the charity.

***Unrestricted general funds***

Unrestricted general funds represent the free funds of the charity that are not designated for particular purposes.

***Restricted funds***

S Lloyd Music & Awards - represents investment funds held for the promotion of music education.

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

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	751,497	-	<b>751,497</b>
Fixed asset investments	-	7,455	<b>7,455</b>
Current assets	4,074,256	3,058	<b>4,077,314</b>
Creditors due within one year	(699,415)	-	<b>(699,415)</b>
<b>Total</b>	<b>4,126,338</b>	<b>10,513</b>	<b>4,136,851</b>

**Notes to the financial statements**  
**For the year ended 31 August 2021**

**20. Analysis of net assets between funds (continued)**

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

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Tangible fixed assets	541,734	-	541,734
Fixed asset investments	-	6,333	6,333
Current assets	3,644,518	2,961	3,647,479
Creditors due within one year	(400,363)	-	(400,363)
<b>Total</b>	<b>3,785,889</b>	<b>9,294</b>	<b>3,795,183</b>

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

	<b>2021 £</b>	<b>2020 £</b>
Net income for the year (as per Statement of Financial Activities)	<b>341,668</b>	349,605
<b>Adjustments for:</b>		
Depreciation charges	<b>90,612</b>	103,902
Gains on investments	<b>(1,122)</b>	(138)
Interest and dividends from investments	<b>(19,724)</b>	(25,864)
Decrease/(increase) in stocks	<b>2,494</b>	(3,922)
(Increase)/decrease in debtors	<b>(40,303)</b>	45,464
Increase/(decrease) in creditors	<b>299,052</b>	(125,096)
<b>Net cash provided by operating activities</b>	<b>672,677</b>	343,951

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

	<b>2021 £</b>	<b>2020 £</b>
Cash at bank and in hand	<b>3,688,309</b>	3,397,039
Short-term deposits	<b>250,756</b>	150,000
<b>Total cash and cash equivalents</b>	<b>3,939,065</b>	3,547,039

**Notes to the financial statements**  
**For the year ended 31 August 2021**

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

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	3,397,039	291,270	3,688,309
Short-term investments	150,000	100,756	250,756
	<u>3,547,039</u>	<u>392,026</u>	<u>3,939,065</u>

**24. Pension commitments**

The charity contributes to the Government's Teachers' Pension Scheme and to the individual pension plans of certain employees. The assets of these schemes are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity to these funds and amounted to £213,059 (2020 - £203,926). Outstanding contributions of £27,290 (2020 - £5,716) were payable to these funds at the balance sheet date and are included in creditors. The pension charge relates to the sole charitable activity and the liability at the balance sheet date is wholly representative of unrestricted funds.

**25. Operating lease commitments**

At 31 August 2021 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	62,000	62,000
Later than 1 year and not later than 5 years	248,000	248,000
Later than 5 years	23,837,148	23,899,148
	<u>24,147,148</u>	<u>24,209,148</u>

**26. Related party transactions**

***West House Old Boys' Association***

Two of the school's governors and the school's Headmaster served on the committee of West House Old Boys' Association during the year ended 31 August 2021.

At the balance sheet date, West House School owed £32,000 (2020 - £32,000) to West House Old Boys' Association by way of an interest-free loan.

At the balance sheet date, West House School owed £3,818 (2020 - £2,730) to West House Old Boys' Association in respect of subscriptions collected on their behalf.

***West House School Parents' Association***

The Headmaster of the school served on the committee of West House School Parents' Association during the year ended 31 August 2021.

During the year, the charity received a donation of £6,500 from West House School Parents' Association towards new IT equipment (2020 - reimbursement for catering expenses of £107).

**Key management remuneration**

During the year, remuneration paid to key management personnel totalled £435,768 (2020: £361,674).

**27. Agency Arrangements**

The charity passes on childcare grant funding to nursery pupils' parents as an agent. During the year, the charity received £103,780 (2020 - £162,441) of grant funding from Birmingham City Council and paid this over to parents. No amounts were owing to parents at the balance sheet date.

**28. Controlling party**

The charity is controlled by the Board of Governors.