

Charity Registration No. 529538

Company Registration No. 00898078 (England and Wales)

AYSGARTH SCHOOL TRUST LIMITED
GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

AYSGARTH SCHOOL TRUST LIMITED

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AYSGARTH SCHOOL TRUST LIMITED

COMPANY INFORMATION ***YEAR ENDED 31 AUGUST 2021***

Charity number	529538
Company number	00898078
Principal address and registered office	Aysgarth School Trust Limited Newton-Le-Willows Bedale North Yorkshire DL8 1TF
Chairman of the Governing Body	P J S Thompson Esq
Key management personnel	
Headmaster	R J Morse Esq
Bursar	A M Francis Esq
Deputy head	P R Barlow Esq
Assistant head	P J Southall Esq
Company Secretary	Mrs L M Hoskyns-Abrahall
Bankers	Barclays Bank Plc 31 High Row Darlington Co Durham DL3 7QS
Solicitors	Womble Bond Dickinson LLP St Ann's Wharf 112 Quayside Newcastle Upon Tyne NE99 1SB
Auditors	UHY Calvert Smith LLP Chartered Accountants Statutory Auditors Heritage House Murton Way Osbalwick York YO19 5UW
Investment Managers	Brewin Dolphin Time Central Gallowgate Newcastle upon Tyne NE1 4SR

AYSGARTH SCHOOL TRUST LIMITED

REPORT OF THE GOVERNING BODY YEAR ENDED 31 AUGUST 2021

1. REFERENCE AND ADMINISTRATIVE INFORMATION

1. 1 School status

Aysgarth School Trust Limited ('the School') is a company limited by guarantee and not having a share capital. The School was incorporated on 14 February 1967. The School is a registered charity (RCN 529538).

1. 2 Governors

The Governors are the directors of the School for the purposes of company law and those who held office during the year were as follows:

P J S Thompson Esq (Chairman of the Governing Body)
J L Bourne-Arton Esq
Mrs M A Bowring
Mrs C L F Cadogan (appointed on 1 March 2021)
R J Brooksbank Esq (resigned 7 June 2021)
D J C Faber Esq
Mrs S Guthe
B M L Hoskyns-Abrahall Esq
W M A Land Esq
T E J Nolan Esq
W J Roe Esq
Mrs V Savile (appointed on 1 March 2021)
M C Wallace Esq
C York Esq

No member of the Governing Body is eligible for appointment to a salaried office or any other benefit in money or money's worth from the School save that a Governor possessing specialist skills or knowledge required by the School may be paid reasonable charges for work of that nature done by him or her or his or her firm.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

2.1 Governing Document

The School is governed by its Memorandum and Articles of Association which are periodically reviewed by the Governors.

2.2 Appointment of Trustees and Term of Office

Governors are recruited by the members of the Governing Body on the basis of nominations from School contacts and existing Governors. A sub-committee of the Governors, chaired by the Chairman, is convened as and when a vacancy arises to make recommendations to the Governing Body. The Governing Body seeks to ensure a mix of skills and selects new Governors on the basis of experience, competence and specialist skills to ensure the Board is well balanced. Governors are initially appointed for a five year term which is renewable. Exceptionally, Governors can be asked to continue in their post beyond a second five year term.

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2.3 Governor Training

New Governors are provided with formal induction training by the Chairman of the Governors, the Headmaster and the Bursar. All Governors are given the opportunity to attend specialist training courses such as those provided by AGBIS (Association of Governing Bodies of Independent Schools), ISBA (Independent Schools Bursar's Association) and IAPS (Independent Association of Preparatory Schools). In particular, all Governors have attended safeguarding training. Presentations were given at Governors' meetings on the relevant issues arising out of the training.

2.4 Governors' Meetings

The Board of Governors meets once a term. In addition, the Board holds an annual strategy meeting. The Clerk to the Governors prepares the agenda and circulates papers for each of these meetings and keeps a minute of the meetings. Governors' meetings are split into two parts. Part I deals with Governor only business. Part II deals with all other business and is attended by the Headmaster, the Bursar, the Deputy Headmaster, and the Assistant Headmaster.

2.5 Sub-Committees

The Governors have established sub-committees in order to consider certain matters in greater detail and report back to the Board. These committees are the Finance & General Purposes Committee, the Strategy and Marketing Committee, the Education & Pastoral Committee, the Bursary Committee and the Remuneration Committee. Individual Governors are also appointed to be responsible for Risk Management, Special Educational Needs, Health & Safety, Safeguarding/Child Protection and the Pre-Prep.

2.6 Risk Management

The Governors review the risks faced by the School together with the systems in place to monitor and mitigate those risks on a regular basis, at least annually. The risks are categorised under a number of headings in a report entitled 'Risk Assessment Management'. This report sets out the probability of risks occurring and the impact on the School in the event that the specific risk is realised. It also confirms the relevant control procedures that are in place, the individuals responsible, the monitoring process and any recommended action. This report is reviewed in detail by the Headmaster, the Bursar and one designated Governor before being discussed by the Finance & General Purposes Committee and then finally by the Board.

2.7 Remuneration

Key management personnel remuneration is agreed by the Remuneration Committee and is set at a commercial rate in relation to the sector and location.

2.8 Operational Management

The day to day running of the School is delegated to the Headmaster, to the Bursar and to the Senior Management Team.

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STRATEGIC REPORT

3. OBJECTS, OBJECTIVES AND PRINCIPAL ACTIVITIES

3.1 Charitable Objects and Aims

The School's Objects, as set out in its Memorandum of Association, are to carry on the undertaking of Aysgarth School and to acquire and carry on in the United Kingdom any other school or schools for the education of children.

The Governors give careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplemental guidance on public benefit in relation to the advancement of education and on fee-charging. The School is very involved in seeking wider benefits for the public in line with its educational objectives.

Aysgarth School aims to provide an inspiring and relevant education of the highest standard to prepare its pupils to thrive at major public schools and beyond. This is measured by the Governors by reference to academic achievement; the development of other abilities such as sport, creative, musical and such other talents that help to boost confidence and self belief; the development of character and personal skills such as independence, leadership, interpersonal skills, self awareness and team working; the understanding and practice of the Christian faith and values as well as respect for other or no faiths; and an appreciation of how pupils can contribute to the community and the opportunity to do so.

3.2 Objectives for the year

The Governors' main objectives for the year were (i) to enhance the education of the pupils by striving to achieve the highest possible educational experience whilst maintaining a solid financial trading base, (ii) to raise further funds for the Aysgarth Foundation so enabling expenditure on renewing and improving the infrastructure of the School and the development of the long term means tested bursary fund and (iii) to develop collaborative working arrangements with other charities and educational bodies to provide access to our schooling for those who cannot come to the School.

3.3 Principal Activities

The School is comprised of a boarding prep school for boys aged 8 to 13 and a mixed pre-prep and nursery department for children aged 3 to 8. It is situated in the Yorkshire Dales and has a capacity of approximately 170 boys in the Prep school and 70 children in the Pre-Prep and nursery. The size of the School and its geographical location limit the number of children who can benefit from its services. The availability of scholarships and bursaries, and the lack of academic selection, are designed to ensure that the pupils at the School are drawn from a wide cross-section of society.

3.4 Academic Attainment

For the last 20 years all pupils have reached their desired senior school, a number achieving scholarships or other awards, (14 awards were accepted in 2021 in spite of the interruption to normal routine brought about by Covid-19), and most go on to academically selective senior schools. The vast majority of pupils leaving the School achieve excellent results at GCSE and A Level and receiving further awards and scholarships (eg. Academic scholarship at Harrow 2021) before heading to University; due in part to the sound foundations and work ethic established at the School.

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3.5 General Review of the Year

The number of boys in the prep school averaged 144 and the Pre Prep reached 50 children in the summer term with a further 15 children in the Nursery.

From an academic perspective, all candidates passed Common Entrance to their first choice schools and the school achieved notable success during regional and national academic competitions (for instance the Townsend Warner history competition).

With regard to senior school scholarships 14 scholarships were offered as follows:

<u>School</u>	<u>Scholarship</u>
Barnard Castle	Drama
Cundall Manor	Art
Fettes	Academic
Fettes	All-Rounder
Oundle	Design, Engineering and Technology
Sedbergh	Sport
Shrewsbury	Sport
Sherborne	Academic Exhibition
Sedbergh	Swimming
Sedbergh	Headmaster's Award
Shrewsbury	design and technology
Sedbergh	Headmaster's Award
Uppingham	Design and Technology
Uppingham	Sport

Boarding at the school remains in a strong position; Aysgarth is the only all boys boarding prep school north of Oxford and it continues to defy the national trend of a decline in boarding.

Sport continues to thrive and the excellent coaching, combined with the impressive facilities is of great benefit to the pupils. The provision for sport in the Pre-Prep continues to be extended and this will benefit the pupils in the short, medium and long term. In spite of interruption to routine due to Covid-19, notable sporting progress has been achieved (the games programme continued during lockdown). An impressive number of boys achieve regional and county honours and, equally importantly, every pupil represented the school on the cricket pitch when fixtures finally resumed.

We continue to develop the musical and dramatic elements of the curriculum and wherever Covid allowed, concerts, lectures, year group productions (remaining in bubbles) and plays featured in the calendar. The productions of 'Hamlet, what is the question?' (Form 4) and 'Twelfth Night (Form 5) took place towards the end of the summer term and were a great success - the productions being videoed and sent to the wider Aysgarth community as a result of the restrictions imposed by the Covid-19 pandemic. The activity programme remained broad, in spite of the limitations of Covid (a total rewrite was required) and this is due entirely to the professionalism and enthusiasm of the staff.

We continue to prioritise the pupils' ability to make the most of their opportunities and to understand how they can be of service to others. This is implemented in many ways but predominantly via the Aysgarth values:

- To love and care for our neighbours as ourselves
- Make the most of our talents
- Be courageous in all we do

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As the Covid-19 situation developed we continued to follow governmental and public Health England advice in ensuring that we were fully prepared for any outbreaks.

The return to school in September 2020, saw the implementation of a wide-range of Covid safe procedures: the Aysgarth guiding principles and risk assessments were rigorously reviewed and updated, training was provided and documentation was shared with all stakeholders. With the exception of the very youngest children in the Pre-Prep and Prep School, children were grouped in year group bubbles and were located in their own classrooms – the staff moving to them so as to reduce the transfer around school. A full set of outdoor hand washbasins were installed so as to improve hygiene, cleaning and fogging routines were augmented and two sets of external toilets and washrooms were provided to ensure that bubbles were maintained.

The second lockdown in January 2021 saw the school revert to the very successful Remote Aysgarth offering. The timetable was fully rewritten as we continued to build and develop ‘Remote Aysgarth’, with the aim of replicating, as near as physically possible, the academic, pastoral and co-curricular offerings that are in place when the children are physically at school. Fees were set (a reduction offered due to the fact that the children, in particular boarding children, were not in situ), procedures reviewed, risk assessments created and policies developed to ensure the safe implementation of both Remote Aysgarth and the Support School for the Children of Critical Workers (appendices written for current policies where required). Parents were kept in the loop throughout.

A full staff briefing was held during the preterm inset where our response to the situation was explained to the staff body. This included a list of our own key workers who would be required to successfully operate at Aysgarth and run the Support School for the Children of Critical Workers. The remaining staff were given the option of taking furlough leave or coming up with a plan of what they might do to maintain full employment. It was communicated that we would need a small number of staff in addition to those identified so that we could be flexible (the numbers for the Support School were yet to be confirmed) and that we would be reforming the Aysgarth task force which would see us address the long list of maintenance tasks that had been outstanding for some time. The School’s lawyers provided advice to ensure that correct policy and procedures were followed.

The January Inset programme focused heavily on the delivery of Remote Aysgarth with specific focus upon the key areas. The remote offering was constantly under review and alterations were made wherever required to enhance the provision.

Feedback on Remote Aysgarth was excellent. Regular correspondence was maintained with parents throughout.

The Support School for the Children of Critical Workers and the nursery opened on the very first day of term and continued without disruption throughout the term. Guiding principles were produced for the safe running of the school and this corresponded with the completion of the ISBA safe return to school audit and the production of a full-scale risk assessment.

The Support School for the Children of Critical Workers was extremely well received by both children and parents.

Following the Prime Minister’s statement as to the return to school, we were delighted to open our doors to the children. Once again the guiding principles were rewritten, a risk assessment undertaken and procedures checked with insurers before being shared with all stakeholders. Training for staff was provided and the curriculum altered to ensure that the children had the very best opportunity (within a Covid safe environment) to engage with their peers after such a long time in isolation.

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Pastoral Care

The main theme for pastoral care in Remote Aysgarth was 'Keeping Connected'. To further aid the children's connectivity, we provided them with Google hangouts (a chat facility) and gave them the opportunity to catch up with each other before and after formal Google-meet lessons (allowing them to chat as they would do between lessons here at school).

From the first day of term, a long list of online activities were available, all with the aim of keeping in touch with the pupils and giving pupils the opportunity to keep in touch with each other. A selection of these activities is listed here:

- Virtual Hot Chocolate with Boarding Staff
- Boarding house meetings
- Thought for the Day
- Moral Maze
- Cookery Club
- Current affairs quiz
- Quote of the week
- Word of the week
- This week in history
- Puzzle-time
- Composition club
- Maths Surgery
- Science club
- History Surgery
- English Surgery
- French Surgery
- Kahoot Quiz
- Photograph of the week
- Weekly board game/picture games
- Creative corner
- Online chess league
- Aysgarth Strava challenge

As in the first lockdown, the implementation of 'Remote Aysgarth' was far from easy but it was universally well received. The benefit to the children was obvious and we will revert to this system in the event of any future lockdowns.

4. PUBLIC BENEFIT

4.1 Provision of Education

The School's key public benefit is delivered through the provision of education for pupils through Pre-Prep and Prep schools. The School is committed to broadening access by offering eligible parents / guardians means-tested financial support with the payment of school fees.

The education of the children in the School at the expense of the parents will have saved the Treasury over £1million during the year, assuming a cost of £6,000 per annum per pupil to educate a child in the state system.

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4.2 Widening Access

The total value of means-tested bursaries awarded by the School in the year was £267,112 representing 6.8% of the School fee income. 20 pupils were assisted with means-tested bursaries to enable them to attend the School. This included an Aysgarth School Foundation Bursary recipient in the summer term.

18 pupils from UK Armed Forces families received remissions amounting to a further £29,023.

Scholarships amounting to £11,222 have also been awarded to 4 pupils to recognise special abilities and enable access.

The School welcomes pupils from all backgrounds. To admit a prospective pupil the School needs to be satisfied that the pupil will benefit from the all-round education and develop to the best of their potential. Entrance tests and assessments may be undertaken to satisfy the School and the parent that the potential pupil can cope with the pace of learning and benefit from the education provided.

An individual's ethnicity, race, religion or disability do not form any part of the School's assessment process. The School is committed to the provision of equal opportunities and an environment that is free from any form of discrimination. Reasonable adjustments can be made to meet the needs of staff or pupils who are, or become, disabled.

The School has a special educational needs department (Skills Development) which enables children with learning difficulties to attend the School. There are 51 pupils on the SEND register from Nursery to Form 5, their needs (ranging from complete blindness to mild dyslexia) varying between and sometimes spanning more than one of the four areas of SEND. These needs are catered for by all staff and specifically the Skills Development department.

4.3 Sharing Facilities and Expertise

The School's facilities are made available to various local organisations and groups ranging from local cricket clubs to regional and county teams through to fundraising lectures in the theatre. These arrangements encourage the community to come in to and benefit from the School. During the period of lockdown, many staff gave generously of their time to support the local community and the NHS.

Most teachers and non-teaching staff attended training courses to maintain and enhance their skills, the cost of which was funded by the School.

A number of members of staff support local schools and clubs through teaching and coaching and more, offer their support and expertise as governors (of both primary and secondary schools).

We continue to work towards developing the relationship with a local secondary school whereby Aysgarth has offered the use of its facilities and staff to enhance the local school's offering. Whilst Covid has made interactions more challenging, the relationship continues to grow and we will work to develop this interaction in the months and years ahead.

The School continues to make use of the services of a specialist consultant in developing an 'Outreach Programme' with a view to further developing assistance and relationships with local primary schools/secondary schools and junior clubs. Discussions continue with regard to the launch of an 'Opportunities Fund' with the joint aims of providing educational opportunities for the local community and increasing the funds available for bursaries (Covid has delayed the implementation of this project).

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The process of the appointment of the Head of Brand and Foundation Development was completed with the successful candidate taking up post in early July. The successful candidate will be fundamental in developing the Aysgarth outreach program and relationship and support of the local schools and community.

4.4 Contributing to the Community

In spite of the interruption by Covid, the school continues to be involved in fundraising activities which raised £964 for various charities. Unfortunately, the Macmillan Cancer Support Carol concert which takes place annually at Ripon Cathedral was cancelled due to Covid. Aysgarth recorded its own Carol service in the chapel, sending it via video link to the entire Aysgarth and local community and opening a JustGiving page to enable viewers to contribute. The funds were shared between Macmillan and our two local churches in Bedale and Patrick Brompton. The school also took advantage of the opportunity to develop its relationship with the Jinja Educational Trust - using ICT to enable the pre-prep to engage in a number of joint activities with the Twinkle School in Uganda. Almost £1,000 was raised by the Pre-Prep children by a series of events and this will be fundamental in developing Twinkle's own school library.

The Support School for the Children of Critical Workers operated throughout the spring term.

To further support the local community, the School provided daily 'Meals on Wheels' lunches to the local aged and infirm throughout the lockdown period. We continue to offer this service on a weekly basis.

Where possible (Covid permitting) the School arranges and hosts events for local primary schools and nurseries such as academic challenges, sports fixtures and theatre productions (transport arranged if required). Covid put paid to a number of our plans but Aysgarth will continue to work to develop these relationships and events.

Throughout the period of lockdown, the School provided weekly online chapel services which were available to the wider Aysgarth community, the local community and to Bedale High School. This was extremely well received as an opportunity for the community to come together.

The School contributes to the St Patrick's and St Gregory's churches financially and outside groups (ranging from local individuals and clubs to county sports teams) make use of the School's facilities.

Aysgarth is very grateful for the work and time of the many volunteers who have worked with the School during the year. Without the help of these volunteers, many of whom have been drawn from the parent body, it would not have been possible to have achieved so much during the year.

Where possible, the School also tries to support its staff in their own charitable offerings. Aysgarth staff charitable work includes supporting parish councils, offering support at local primary schools, supporting local sports clubs and organisations, coaching at local and regional sports clubs and supporting local music groups and churches. In addition, the School provided transport as backup to a fund raising walk in aid of the 'My Name's Doddie' foundation raising awareness and research in to Motor Neurone Disease.

5. OUR FINANCES

5.1 Trading Performance

The School's trading performance, although much reduced this year due to the impact of Covid-19, has generated a deficit of £31,917 (2020: surplus £37,726) before contributions from the Foundation as shown in the Statement of Financial Activities on page 16. The cash generated from operating activities, after deducting capital expenditure, was £27,843 (2020: £64,740). The School's finances remain in a strong position with a positive cash balance throughout the year. The implementation of cost saving measures as soon as the national lockdown was announced, coupled with the Government furlough scheme and the

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establishment of an internal ‘task force’ to effectively address outstanding maintenance and housekeeping issues, ensured that the School was able to maintain its strong financial base.

5.2 Reserves and Investment Policy

Note 22 to the Financial Statements summarises the movements in funds during the year.

It is the policy of the Governors to seek to generate a modest surplus of income over expenditure each year to safeguard the future of the School. This provides both funds for a programme of continuous refurbishment and improvement of School properties as well as the provision of bursaries. The level of the School’s reserves is reviewed regularly to ensure it falls in line with the School’s budgetary requirements as well as providing for future planned developments.

All surpluses generated by the School are reinvested in the provision of education for children and in the School’s infrastructure.

The Governors have reinvested the surplus funds generated by the School’s operations during the year. Capital expenditure amounted to £168,727 (2020: £70,836). Over the past five years the School has invested £1,015,598, an average of £203,120 per year.

Bank overdraft facilities are in place to ensure that, in the absence of free reserves, adequate resources are available to cover temporary working capital requirements.

Investments have been made during the year with Brewin Dolphin in line with good governance as determined by the Foundation Trustees and School Governors. All investment has been made for the future benefit of the School. All capital has been invested after considering the portfolio risk in conjunction with professional advice at the time of investment.

5.3 The Aysgarth Foundation

The Aysgarth Foundation was established in May 2008 to create funds to enable the School to provide future means-tested bursaries and to help fund major capital projects. It is established as a separate designated fund under the umbrella of the School and is managed by a committee of trustees made up of selected Governors and additional individuals who bring expertise to the running of the Foundation.

The School pays for the staff costs of running the Foundation, but other costs incurred are charged to the Foundation. Funds raised in the last financial year amounted to a net £3,582. The School is very grateful for the generosity of the donors and the assistance provided by many of the parents, Governors and Foundation Trustees in the fundraising activities. Since its establishment, the Foundation has raised over £1,400,000 net of fundraising costs.

Fundraising (on both small and large scale) is targeted at the Aysgarth community rather than the general public. Looking to the future (and in response to the appointment of the Head of Brand and Foundation Development) we will look to expand the fundraising horizons in the future.

5.4 Future plans

The School remains fully committed to continuing to provide each and every child who attends Aysgarth with the highest quality, well balanced education. Highly qualified and dedicated staff remain central to this aim and we will continue to drive academic excellence at every opportunity. It is hoped that the ongoing investment in staff and facilities will also benefit children outside of the immediate Aysgarth community. In addition to the various theatrical performances, academic challenges and sporting fixtures that we already host, we continue to seek to develop our relationship with local state funded schools as well as working to extend and improve the contact with the Jinja Education Trust and the Springboard Foundation.

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The adaptations made to enable the School to continue to operate under the Covid-19 guidance for education establishments ensures that the School can still provide an excellent education to all its pupils. The ability to seamlessly switch to the very successful 'Remote Aysgarth' provision, ensures that all pupils are supported educationally and pastorally during these uncertain times.

6. STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also the directors of Aysgarth School Trust Limited for the purposes of company law) are responsible for preparing the Report of the Governing Body and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 Governors 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Governors are responsible for keeping adequate 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 Governors are aware:

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

Approved by the Governing Body of Aysgarth School Trust Limited, including, in their capacity as company directors, approving the Report of the Governing Body and Strategic Reports contained therein, and signed on their behalf:

P J S Thompson Esq (Chairman of the Governing Body)

Date: 8 November 2021

AYSGARTH SCHOOL TRUST LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AYSGARTH SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of Aysgarth School Trust Limited (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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.

Other information

The governors are responsible for the other information. The other information comprises the information included in the Governors report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AYSGARTH SCHOOL TRUST LIMITED

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the report of the governing body for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the report of the governing body 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 report of the governing body.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of governors

As explained more fully in the governors' responsibilities statement set out on page 11, 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.

AYSGARTH SCHOOL TRUST LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AYSGARTH SCHOOL TRUST LIMITED

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent 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:

- we identified the laws and regulations applicable to the charitable company through discussions with management and trustees and from our professional and sector experience; and
- 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 charitable company, including the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting documentation.

We assessed the susceptibility of the charitable 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 the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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; and
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

AYSGARTH SCHOOL TRUST LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AYSGARTH SCHOOL TRUST LIMITED

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: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our independent auditors' report.

Use of our report

This report is made solely to the charitable company's governors, 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 governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's governors as a body, for our audit work, for this report, or for the opinions we have formed.

Harry Howley ACA MAAT (Senior Statutory Auditor)
For and on behalf of UHY Calvert Smith LLP
Statutory Auditor
Chartered Accountants
Heritage House
Murton Way
Osballdwick
York
North Yorkshire
YO19 5UW

Date: 12 November 2021

AYSGARTH SCHOOL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure Account)

YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted General Funds £	Unrestricted Designated Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
School fees	3	3,475,691	-	3,475,691	3,599,844
Other educational income	4	76,156	-	76,156	68,368
Other trading activities					
Trading income	5	1,811	-	1,811	647
Investments					
Investment income	6	150	8	158	4,333
Donations and legacies					
Donations	7	16,390	8,375	24,765	25,255
Other incoming resources	8	41,239	-	41,239	74,452
Total incoming resources		3,611,437	8,383	3,619,820	3,772,899
EXPENDITURE ON					
Raising funds					
Fundraising costs of donations	12	-	4,793	4,793	846
Trading costs	12	-	-	-	-
Financing costs	12	77	-	77	187
Charitable activities	12	3,643,277	-	3,643,277	3,710,441
TOTAL EXPENDITURE	12	3,643,354	4,793	3,648,147	3,711,474
Net gains/(losses) on investments		-	108,584	108,584	9,740
Net incoming and expenditure before transfers		(31,917)	112,174	80,257	71,165
Transfers between funds	22	3,984	(3,984)	-	-
NET INCOME		(27,933)	108,190	80,257	71,165
Other recognised gains/(losses):					
Pension scheme actuarial gains/(losses)	26	12	-	12	(100)
Net movement in funds for the year		(27,921)	108,190	80,269	71,065
Fund balances at 1 September 2020		5,332,415	491,849	5,824,264	5,753,199
FUND BALANCES AT 31 AUGUST 2021		5,304,494	600,039	5,904,533	5,824,264

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the statement of financial activities.

The notes on pages 20 to 37 form part of these financial statements.

AYSGARTH SCHOOL TRUST LIMITED
Company Registration No. 00898078 (England and Wales)

BALANCE SHEET
YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted General Funds £	Unrestricted Designated Funds £	Total Funds 2021 £	Total Funds 2020 £
FIXED ASSETS					
Tangible assets	16	4,656,154	-	4,656,154	4,672,248
Investments	17	-	558,889	558,889	450,305
		4,656,154	558,889	5,215,043	5,122,553
CURRENT ASSETS					
Stocks	18	39,702	-	39,702	37,351
Debtors	19	152,478	-	152,478	116,257
Cash at bank and in hand	20	1,169,592	46,078	1,215,670	1,190,066
		1,361,772	46,078	1,407,850	1,343,674
CURRENT LIABILITIES					
Creditors payable within one year	21	(704,868)	(4,928)	(709,796)	(631,067)
		656,904	41,150	698,054	712,607
NET CURRENT ASSETS/(LIABILITIES)					
		5,313,058	600,039	5,913,097	5,835,160
TOTAL NET ASSETS EXCLUDING PENSION LIABILITY					
Net pension liability	26	(8,564)	-	(8,564)	(10,896)
		5,304,494	600,039	5,904,533	5,824,264
NET ASSETS					
REPRESENTED BY:					
Unrestricted funds:					
General	22	5,304,494	-	5,304,494	5,332,415
Designated	22	-	600,039	600,039	491,849
		5,304,494	600,039	5,904,533	5,824,264

Approved by the Board on 8 November 2021 and signed on its behalf by:

**P J S Thompson Esq (Chairman of the
Governing Body)**

B M L Hoskyns-Abrahall Esq (Governor)

AYSGARTH SCHOOL TRUST LIMITED

CASH FLOW STATEMENT YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash from operating activities	1	196,570	135,576
Cash flows from investing activities:			
Interest received		158	4,333
Interest paid		(77)	(187)
Payments to acquire listed investments		-	(50,000)
Payments to acquire tangible fixed assets		(168,727)	(70,836)
Net cash from investing activities		(168,646)	(116,690)
Cash flows from financing activities:			
Bank loan repaid		-	-
Pension fund liability repaid		(2,320)	(2,191)
Net cash from financing activities		(2,320)	(2,191)
(Decrease)/increase in cash and cash equivalents		25,604	16,695
Cash and cash equivalents at the beginning of the year	2	1,190,066	1,173,371
Cash and cash equivalents at the end of the year	2	1,215,670	1,190,066

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE CASH FLOW STATEMENT YEAR ENDED 31 AUGUST 2021

1. Reconciliation of changes in resources to net inflow from operating activities

	2021	2020
	£	£
Net income and (expenditure)	80,257	71,165
Depreciation charges	184,821	198,804
Loss on disposal of fixed assets	-	7,301
(Increase)/decrease in stocks	(2,351)	(893)
(Increase)/decrease in debtors	(36,221)	66,770
Increase/(decrease) in creditors	78,729	(193,685)
(Gain)/loss on investments	(108,584)	(9,740)
Interest received	(158)	(4,333)
Interest payable	77	187
Net cash inflow from operating activities	196,570	135,576

2. Analysis of cash and cash equivalents

	At	At
	31/08/21	31/08/20
	£	£
Cash at bank and in hand	1,215,670	1,190,066
	1,215,670	1,190,066

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS ***YEAR ENDED 31 AUGUST 2021***

1 STATUTORY INFORMATION

The charity is a company limited by guarantee, incorporated in England and Wales. The company's registered office address can be found on the Company Information page.

2 ACCOUNTING POLICIES

2.1 Basis of preparation

The accounts of the School have been prepared under the Companies Act 2006 and in accordance with the Statement of Recommended Practice for Charities ('SORP (FRS102)') and with applicable UK Accounting Standards and the Companies Act 2006. These financial statements are drawn up on the historical cost accounting basis with the exception of investments which are included at market value.

The School meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The governors have considered the financial position and trading projections of the School, and have a reasonable expectation that the School has adequate resources to continue to trade into the foreseeable future. The School therefore continues to adopt the going concern basis in preparing the financial statements.

The principal accounting policies of the School are set out below.

2.2 Incoming resources

Fees receivable are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions.

Donations subject to specific wishes of the donors are taken to restricted funds where those wishes are legally binding on the Governors.

The Aysgarth School Foundation has been set up to raise funds to enable the School to provide means-tested bursaries and help to fund major capital projects. Monies received are treated as designated funds rather than restricted funds, unless the appeal documentation restricts the use of the monies raised or donors specifically restrict the use of the donation.

2.3 Resources expended

Expenditure is allocated to expense headings, either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2021

2 ACCOUNTING POLICIES

2.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset over its expected useful life, as follows:

Freehold land is not depreciated

Freehold buildings:

- With an expected life over 50 years	- Nil
- With an expected life under 50 years	- over estimated useful life, straight line basis
Plant, implements	- 20%, straight line basis
Computers	- 33.33%, straight line basis
School furnishings	- 20%, straight line basis
Motor vehicles	- 25%, reducing balance basis

Where the Governors consider that the expected useful life is in excess of 50 years and the carrying value in the financial statements is not more than the estimated recoverable amount, no depreciation is charged and, in accordance with FRS 102, the Governors have and will continue to carry out annual reviews of impairment.

Assets under construction are not depreciated. Once construction is complete they are transferred to the relevant fixed asset category and depreciated in line with the relevant depreciation policy.

Items costing less than £1,000 are written off as an expense.

2.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the revenue account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

2.6 Stock

Stock is valued at the lower of cost and net realisable value.

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS ***YEAR ENDED 31 AUGUST 2021***

2 ACCOUNTING POLICIES

2.7 Pensions

The School participates in the Teachers' Pensions scheme, which is an unfunded Government scheme, which provides benefits based on final pensionable pay. The funds of the scheme are separate from the School, although the School's share of the schemes cannot be identified as the scheme is a multi-employer scheme, and so the pension costs are accounted for on the basis of contributions payable. The School also contributes to other defined contribution pension schemes for non-teaching staff.

The School participates in a pension scheme the Pensions Trust Growth Plan which is, in most respects, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. The School's share of the pension fund deficit is recognised as a liability at the balance sheet date. Interest costs charged on the liability are recognised as expenditure in the Statement of Financial Activities (SOFA). Actuarial remeasurements are recognised as other gains and losses in the SOFA. More detail is given in note 26.

2.8 Investments

Investments which comprise listed investments within a managed portfolio are stated in the balance sheet at their market value with annual gains and losses on revaluation being accounted for in the Statement of Financial Activities.

2.9 Financial instruments

Investments and the recognised pension scheme liability are stated in the balance sheet at their market value with annual gains and losses on revaluation being accounted for in the Statement of Financial Activities. All other financial assets and liabilities are measured at amortised cost.

2.10 Significant judgements and estimates

The preparation of the financial statements requires management to make significant judgements and estimates.

There are considered to be no significant judgements or estimates made in the preparation of these financial statements which would have a material impact on the amounts recognised.

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2021

3 CHARITABLE ACTIVITIES - SCHOOL FEES

	2021 £	2020 £
Gross fees	3,913,645	3,980,213
Less: Bursaries, scholarships and remissions	(437,954)	(380,369)
	<u>3,475,691</u>	<u>3,599,844</u>

4 CHARITABLE ACTIVITIES - OTHER EDUCATIONAL INCOME

	2021 £	2020 £
Learning support tuition fees	7,942	10,247
Overnight stays	30,143	22,856
Registrations	3,160	1,535
Educational extras	6,629	10,051
Pre prep events	702	683
Other income	27,580	22,996
	<u>76,156</u>	<u>68,368</u>

5 OTHER TRADING ACTIVITIES

Trading income is income arising from the use of School facilities.

6 INVESTMENTS

	2021 £	2020 £
Bank interest receivable	158	4,333

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2021

7 DONATIONS AND LEGACIES

	2021 £	2020 £
Unrestricted general donations		
Sundry donations	16,390	821
	16,390	821
Unrestricted designated donations		
Aysgarth School Foundation	8,375	24,434
	8,375	24,434
Total donations	24,765	25,255

8 OTHER INCOMING RESOURCES

	2021 £	2020 £
Sundry other income	30,534	11,774
Job Retention Scheme grant	10,705	62,678
	41,239	74,452

9 EXPENDITURE

	2021 £	2020 £
Charitable activity expenditure includes:		
Auditors' remuneration audit fees	4,590	4,440
non audit fees	10,205	8,916
Depreciation owned assets	184,821	198,804
Operating lease charges	6,708	6,654
Bank interest and charges	24	74

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2021

10 STAFF COSTS

	2021 £	2020 £
Total staff costs comprises:		
Wages and salaries	1,790,091	1,824,431
Social security costs	168,102	174,901
Pension contributions	311,232	325,089
	2,269,425	2,324,421

	2021 £	2020 £
Aggregate employee benefits (including employers pension contributions) of key management personnel	355,509	359,491

Number of employees:

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Teaching staff and administrative staff	46	47
Household staff and groundsmen	23	22
	69	69

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS ***YEAR ENDED 31 AUGUST 2021***

10 STAFF COSTS CONTINUED

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

	2021	2020
	Number	Number
£60,000 - £70,000	3	3
£110,001 - £120,000	1	1

11 GOVERNORS

None of the Governors received any remuneration during the year.

The Governors who have children at the School are charged fees in accordance with the School's normal fee structure and remissions policy. Parent Governors do not vote on fee issues. Scholarships and bursaries totalling £2,706 (2020: £2,404) were awarded to the child of a Governor attending the School. All bursaries are approved by the bursaries committee. No parent Governors are involved in this committee.

In accordance with normal commercial practice the School has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on School business. The annual premium was £1,285 (2020: £1,258).

No travel expenses were re-imbursed to Governors (2020: 1 was re-imbursed a total of £217).

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS **YEAR ENDED 31 AUGUST 2021**

12 ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs (note 10) £	Other costs £	Depreciation £	2021 Total £	2020 Total £
Costs of generating funds					
Fundraising costs of donations	-	4,793	-	4,793	846
Trading costs	-	-	-	-	-
Financing cost (note 13)	-	77	-	77	187
Resources expended on generating funds	-	4,870	-	4,870	1,033
Charitable activities					
Teaching	1,689,156	111,767	27,585	1,828,508	1,912,604
Welfare	126,985	398,877	12,941	538,803	499,977
Premises	197,740	472,515	144,295	814,550	809,506
Support	255,544	195,552	-	451,096	482,153
School operating costs	2,269,425	1,178,711	184,821	3,632,957	3,704,240
Grants, awards and prizes	-	10,320	-	10,320	6,201
Resources expended on charitable activities	2,269,425	1,189,031	184,821	3,643,277	3,710,441
Total resources expended	2,269,425	1,193,901	184,821	3,648,147	3,711,474

Governance costs of £4,590 (2020: £4,657) are included in support costs, as noted above.

13 FINANCING COST

	2021 £	2020 £
Bank charges	24	74
Pension scheme financing cost	53	113
	77	187

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS ***YEAR ENDED 31 AUGUST 2021***

14 TAXATION

The company is a registered charity, therefore, no liability to taxation arises on its charitable activities.

15 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

Comparative figures in the Statement of Financial Activities are all unrestricted.

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2021

16 TANGIBLE FIXED ASSETS

	Freehold property £	Plant, equipment £	Computer equipment £	School furnishings £	Motor vehicles £	Total £
Cost						
At 1 September 2020	5,456,988	710,655	233,198	243,511	100,070	6,744,422
Additions	103,221	31,239	25,019	9,248	-	168,727
At 31 August 2021	5,560,209	741,894	258,217	252,759	100,070	6,913,149
Depreciation						
At 1 September 2020	934,458	627,889	219,128	208,991	81,708	2,072,174
Charge for the year	119,348	31,682	16,260	12,941	4,590	184,821
At 31 August 2021	1,053,806	659,571	235,388	221,932	86,298	2,256,995
Net book value						
At 31 August 2021	4,506,403	82,323	22,829	30,827	13,772	4,656,154
Net book value						
At 31 August 2020	4,522,530	82,766	14,070	34,520	18,362	4,672,248

All assets are used for charitable purposes.

Included in the cost of freehold property is £3,563,080 (2020: £3,563,080) which is not depreciated.

The insured value of the School's buildings is £23m.

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS **YEAR ENDED 31 AUGUST 2021**

17 INVESTMENTS

Market value	Listed Investments £
At 1 September 2020	450,305
Revaluation	108,584
	<hr/>
Valuation at 31 August 2021	558,889
	<hr/> <hr/>
Valuation at 31 August 2020	450,305
	<hr/> <hr/>

18 STOCKS

	2021 £	2020 £
Clothing	39,702	37,351
	<hr/> <hr/>	<hr/> <hr/>

The Governors have determined that, apart from School uniform, no stock with material realisable value was held at the year end.

19 DEBTORS

	General funds £	Designated funds £	Total 2021 £	Total 2020 £
Fee debtors	57,661	-	57,661	21,862
Prepayments and accrued income	94,817	-	94,817	94,395
	<hr/>	<hr/>	<hr/>	<hr/>
	152,478	-	152,478	116,257
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS **YEAR ENDED 31 AUGUST 2021**

20 CASH AT BANK AND IN HAND

	General funds £	Designated funds £	Total 2021 £	Total 2020 £
Current accounts	11,730	-	11,730	9,369
Business premium account	1,155,725	-	1,155,725	1,137,613
Aysgarth School Foundation accounts	-	46,078	46,078	41,329
Cash	2,137	-	2,137	1,755
	1,169,592	46,078	1,215,670	1,190,066

21 CREDITORS: DUE WITHIN ONE YEAR

	General funds £	Designated funds £	Total 2021 £	Total 2020 £
Trade creditors	124,616	-	124,616	65,986
Taxes and social security costs	43,563	-	43,563	42,966
Pension contributions	33,361	-	33,361	35,848
Accruals and deferred income	137,484	4,928	142,412	149,473
Fees received in advance	365,844	-	365,844	336,794
	704,868	4,928	709,796	631,067

Fees received in advance represent school fees, net of remissions, received in advance for future terms educational services.

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS **YEAR ENDED 31 AUGUST 2021**

22 FUNDS

	Balance at 1 September 2020 £	Movement in funds			Pension scheme Actuarial gain / (loss) £	Transfers £	Balance at 31 August 2021 £
		Incoming resources £	Resources expended £	Investment gain/(loss)			
General funds	5,332,415	3,611,437	(3,643,354)	-	12	3,984	5,304,494
Designated funds							
Aysgarth School Foundation	491,849	8,383	(4,793)	108,584	-	(3,984)	600,039
	5,824,264	3,619,820	(3,648,147)	108,584	12	-	5,904,533

The Aysgarth School Foundation has been set up to raise funds for bursaries to enable families, who cannot afford it, to give their children an Aysgarth education. Furthermore to allow the School to make the investments necessary to ensure Aysgarth remains one of the country's leading prep schools, whilst enhancing what makes it distinctive.

Monies received are treated as designated funds unless the appeal documentation restricts the use of the monies raised or donors wishes specifically to restrict the use of the donation, in which case monies received are treated as restricted funds. Expenditure is transferred to general funds from designated funds in the period in which it is incurred.

Comparatives for movements in funds

	Balance at 1 September 2019 £	Movement in funds			Pension scheme Actuarial gain / (loss) £	Transfers £	Balance at 31 August 2020 £
		Incoming resources £	Resources expended £	Investment gain / (loss)			
General funds	5,293,289	3,748,354	(3,710,628)	-	(100)	1,500	5,332,415
Designated funds							
Aysgarth School Foundation	459,910	24,545	(846)	9,740	-	(1,500)	491,849
	5,753,199	3,772,899	(3,711,474)	9,740	(100)	-	5,824,264

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS **YEAR ENDED 31 AUGUST 2021**

23 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Designated £	Total 2021 £	Total 2020 £
Fixed assets	4,656,154	558,889	5,215,043	5,122,553
Net current assets/(liabilities)	656,904	41,150	698,054	712,607
Long term liabilities	-	-	-	-
Net pension liability	(8,564)	-	(8,564)	(10,896)
	5,304,494	600,039	5,904,533	5,824,264

24 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2021 the School had total commitments under non-cancellable operating leases of equipment as follows:-

	2021 £	2020 £
Expiry date:		
Within one year	1,803	6,606
Within two and five years	-	1,803
	1,803	8,409

25 CAPITAL COMMITMENTS

At 31 August 2021 the School had capital commitments as follows:

	2021 £	2020 £
Expenditure contracted for but not provided in the accounts	-	-

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS **YEAR ENDED 31 AUGUST 2021**

26 PENSION SCHEMES

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury 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. 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.

The employer's pension costs paid to TPS in the period amounted to £276,368 (2020: £289,128).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website: <https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>

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

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2021

26 PENSION SCHEMES - continued

Pensions Trust's Growth Plan

Introduction

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025:	£11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)
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Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2021

26 PENSION SCHEMES - continued

Pensions Trust's Growth Plan – continued

Deficit contributions

	£12,945,440 per annum
From 1 April 2016 to 30 September 2025:	(payable monthly and increasing by 3% each on 1st April)
	£54,560 per annum
From 1 April 2016 to 30 September 2028:	(payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present values of provision

	Period Ending 31 August 2021 (£s)	Period Ending 31 August 2020 (£s)	Period Ending 31 August 2019 (£s)
Provision at start of period	8,564	10,896	12,987

Reconciliation of opening and closing provisions

	Period Ending 31 August 2021 (£s)	Period Ending 31 August 2020 (£s)
Provision at start of period	10,896	12,987
Unwinding of the discount factor (interest expense)	53	113
Deficit contribution paid	(2,373)	(2,304)
Remeasurements - impact of any change in assumptions	(12)	100
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	8,564	10,896

AYSGARTH SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2021

26 PENSION SCHEMES - continued

Pensions Trust's Growth Plan – continued

Income and expenditure impact

	Period Ending 31 August 2021 (£s)	Period Ending 31 August 2020 (£s)
Interest expense	53	113
Remeasurements – impact of any change in assumptions	(12)	100
Remeasurements – amendments to the contribution schedule	-	-
Contributions paid in respect of future service*	21,981	21,816
Costs recognised in income and expenditure account	<u>22,022</u>	<u>22,029</u>

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

Assumptions

	31 August 2021 % per annum	31 August 2020 % per annum	31 August 2019 % per annum
Rate of discount	0.63	0.55	0.97

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

27 RELATED PARTIES

During the year the company secretary was paid £nil (2020: £923) for her services.

There were no other transactions with related parties other than those identified in note 10 Staff costs and note 11 Governors.