

**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 2023**

# **AYSGARTH SCHOOL TRUST LIMITED**

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# **AYSGARTH SCHOOL TRUST LIMITED**

## **COMPANY INFORMATION** **YEAR ENDED 31 AUGUST 2023**

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<b>Charity number</b>	529538
<b>Company number</b>	00898078
<b>Principal address and registered office</b>	Aysgarth School Trust Limited Newton-Le-Willows Bedale North Yorkshire DL8 1TF
<b>Chairman of the Governing Body</b>	P J S Thompson Esq
<b>Key management personnel</b>	
Headmaster	R J Morse Esq (Autumn and Spring Term) J E Anderson Esq (Summer Term)
Bursar	A M Francis Esq
Deputy head	P R Barlow Esq
Deputy head	Dr E S G Canning Esq
<b>Company Secretary</b>	Mrs L M Hoskyns-Abrahall
<b>Bankers</b>	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4TA Barclays Bank Plc 31 High Row Darlington Co Durham DL3 7QS
<b>Solicitors</b>	Womble Bond Dickinson LLP St Ann's Wharf 112 Quayside Newcastle Upon Tyne NE99 1SB
<b>Auditors</b>	UHY Calvert Smith LLP Chartered Accountants Statutory Auditors Heritage House Murton Way Osballdwick York YO19 5UW
<b>Investment Managers</b>	Brewin Dolphin Time Central Gallowgate Newcastle upon Tyne NE1 4SR

# **AYSGARTH SCHOOL TRUST LIMITED**

## **REPORT OF THE GOVERNING BODY (incorporating Directors' and Strategic report) YEAR ENDED 31 AUGUST 2023**

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### **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 (resigned 29 September 2022)  
R J Brooksbank Esq (appointed 7 November 2022)  
Mrs C L F Cadogan  
Mrs A Consett (appointed 7 November 2022)  
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  
M C Wallace Esq (resigned on 7 November 2022)  
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.



# **AYSGARTH SCHOOL TRUST LIMITED**

## **REPORT OF THE GOVERNING BODY (incorporating Directors' and Strategic report) YEAR ENDED 31 AUGUST 2023**

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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 and the Deputy Headmasters.

### **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, GDPR 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 three designated Governors 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 the two Deputy Heads who together make up the Senior Leadership Team, who are in turn supported by the Senior Management Team.

# **AYSGARTH SCHOOL TRUST LIMITED**

## **REPORT OF THE GOVERNING BODY (incorporating Directors' and Strategic report) YEAR ENDED 31 AUGUST 2023**

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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 and (ii) 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 150 boys in the Prep school and 80 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, (11 awards were offered and accepted in 2023), 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 receive further awards and scholarships before heading to University; due in part to the sound foundations and work ethic established at the School.

## AYSGARTH SCHOOL TRUST LIMITED

### REPORT OF THE GOVERNING BODY (incorporating Directors' and Strategic report) YEAR ENDED 31 AUGUST 2023

#### 3.5 General Review of the Year

The number of boys in the prep school averaged 126 and the Pre Prep reached 62 children in the summer term with a further 14 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.

With regard to senior school scholarships 11 scholarships were offered as follows:

<b>School</b>	<b>Scholarship</b>
Fettes	Academic
Giggleswick	Sport
Oundle	Music Exh.
Rugby	Sport
Sedbergh	Sport
Shrewsbury	Drama
Shrewsbury	Art
Shrewsbury	Art
Shrewsbury	Academic
Shrewsbury	Music
Stowe	Drama

Boarding at the school remains in a strong position and it continues to defy the national trend of a decline in boarding.

Sport goes from strength to strength and the excellent coaching, combined with the impressive facilities is of great benefit to all pupils. The provision for sports across all age and ability levels continues to be extended and this will benefit the pupils in the short, medium and long term. Notable sporting progress has been achieved on the local, regional and national scale. Furthermore, an impressive number of pupils achieve regional and county honours and, equally importantly, every pupil from Year 2 to Year 8 represented the school in interschool fixtures.

We continue to develop the musical and dramatic elements of the curriculum and, concerts, lectures, year group productions and plays featured throughout the year. The production of 'The Lion King' took place towards the end of the spring term and was both a great success and superbly received. The activity programme provided in excess of 45 activities available across the year groups; again offering opportunities for the children to experience new challenges, to build on existing talents and to develop confidence, cooperation and communication skills.

The Governors and Leadership team continue to work to develop the 5 year strategic plan based upon the following principles:

Aysgarth provides its pupils with the opportunity to develop into confident, kind, ambitious and resilient children who will thrive here, at their next school and in the wider world. The statement of purpose is underpinned by the School's values of **respect, endeavour and courage**.

Aysgarth is home to a close, happy and thriving community of children and staff. We develop the best in each individual child by providing a caring, stimulating and safe environment. We believe strongly in the value of boarding as a means of developing a child in every aspect. The chapel is at the very heart of the school reflecting the importance of faith and service.

## **AYSGARTH SCHOOL TRUST LIMITED**

### **REPORT OF THE GOVERNING BODY (incorporating Directors' and Strategic report) YEAR ENDED 31 AUGUST 2023**

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We will achieve this through the following strategic objectives:

1. Establishing lifelong learning skills through strong academic and pastoral care
2. Providing a wide range of opportunities beyond the classroom
3. Challenging the pupils to develop their character through the teaching of Christian belief
4. Attracting, retaining and developing high quality and enthusiastic staff
5. Working closely with parents and guardians across all elements of their child's education
6. Helping to identify the best future school for every child
7. Developing partnerships within and beyond the Aysgarth community
8. Remaining financially secure so as to enable reinvestment in both people and facilities

This information was delivered to the school communities via inset training, assemblies, service and written messages. Respect, endeavour and courage remain central to the messages imparted to the children throughout the year.

#### **4. PUBLIC BENEFIT**

##### **4.1 Provision of Education**

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

##### **4.2 Widening Access**

The total value of means-tested bursaries awarded by the School in the year was £311,449 representing 7.1% of the School fee income. 17 pupils were assisted with means-tested bursaries to enable them to attend the School. This included an Aysgarth School Foundation Bursary recipient.

17 pupils from UK Armed Forces families received remissions amounting to a further £40,964.

A Scholarship amounting to £7,560 has also been awarded to 1 pupil 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 46 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.

## **AYSGARTH SCHOOL TRUST LIMITED**

### **REPORT OF THE GOVERNING BODY (incorporating Directors' and Strategic report) YEAR ENDED 31 AUGUST 2023**

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#### **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.

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 coaching and offering their support and expertise as governors.

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.

#### **4.4 Contributing to the Community**

Aysgarth continues to organise fund raising activities which raised £1,831 for various charities throughout the year. In addition, and in response to the situation in Ukraine, a fundraising event for the wider Aysgarth community saw £4,158 paid to the Disasters Emergency Committee. Aysgarth also encouraged parents and families to donate clothing and key consumables which were delivered by the school to the DEC. The annual Macmillan Cancer Support Carol concert at Ripon Cathedral was again supported by Aysgarth School. The choirs, staff and musicians played a key role in raising vital funds for this charity (£36,000 this year and over £200,000 across the past 7 years).

The School contributes to the St Patrick's and St Gregory's churches financially and a number of external 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.

# **AYSGARTH SCHOOL TRUST LIMITED**

## **REPORT OF THE GOVERNING BODY (incorporating Directors' and Strategic report) YEAR ENDED 31 AUGUST 2023**

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### **5. OUR FINANCES**

#### **5.1 Trading Performance**

The School's trading performance has generated a deficit of £679,157 (2022: deficit £102,239) before contributions from the Foundation as shown in the Statement of Financial Activities on page 15. The cash generated from operating activities, after deducting capital expenditure, was cash outflow of £683,564 (2022: £183,184).

#### **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, however this year, due to varying reasons this was not possible. Post year end, the School has obtained initial approval for an overdraft facility with CAF bank. This is to ensure adequate resources are available to cover temporary working capital requirements.

Capital expenditure amounted to £195,478 (2022: £109,076). Over the past five years the School has invested £729,863 at an average of £145,973 per year.

Investments have been made during the year with Brewin Dolphin in line with good governance as determined by the School Governors. All capital was invested after considering the portfolio risk in conjunction with professional advice at the time of investment. All investments have been liquidated after the end of this accounting period and these funds are now held as cash reserves.

#### **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 was 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. Net funds spent in the last financial year amounted to £123. 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.

During the accounting year, and following appropriate consultation, the Governors took the decision to transfer the previously designated Aysgarth School Foundation Funds to the General Fund for the use of the School.

Future planning for the registration of the Aysgarth Foundation as a separate charity is well under way.



## **AYSGARTH SCHOOL TRUST LIMITED**

### **REPORT OF THE GOVERNING BODY (incorporating Directors' and Strategic report) YEAR ENDED 31 AUGUST 2023**

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#### **5.4 Future plans**

In line with future long term strategic planning , the School announced in the Autumn term 2023 that the Co educational provision that already exists in the Pre-prep will be extended to the Prep School in September 2024.

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 other educational charities.

# **AYSGARTH SCHOOL TRUST LIMITED**

## **REPORT OF THE GOVERNING BODY (incorporating Directors' and Strategic report) YEAR ENDED 31 AUGUST 2023**

### **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: ...11/24/2024



# **AYSGARTH SCHOOL TRUST LIMITED**

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

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### **Opinion**

We have audited the financial statements of Aysgarth School Trust Limited (the 'charitable company') for the year ended 31 August 2023 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 2023, 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 of 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 and financial statements, 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.

# **AYSGARTH SCHOOL TRUST LIMITED**

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

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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, which includes the strategic report and the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the 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 9, 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**

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### **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**

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



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: 15 March 2024.

# AYSGARTH SCHOOL TRUST LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure Account)

YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted General Funds £	Unrestricted Designated Funds £	Total Funds 2023 £	Total Funds 2022 £
<b>INCOME AND ENDOWMENTS FROM</b>					
<b>Charitable activities</b>					
School fees	3	3,751,464	-	3,751,464	3,869,434
Other educational income	4	130,205	-	130,205	97,063
<b>Other trading activities</b>					
Trading income	5	47,464	-	47,464	43,977
<b>Investments</b>					
Investment income	6	7,515	284	7,799	1,168
<b>Donations and legacies</b>					
Donations	7	2,502	5,375	7,877	93,336
Other incoming resources	8	13,880	-	13,880	14,828
<b>Total incoming resources</b>		<b>3,953,030</b>	<b>5,659</b>	<b>3,958,689</b>	<b>4,119,806</b>
<b>EXPENDITURE ON</b>					
<b>Raising funds</b>					
Fundraising costs of donations	12	-	5,498	5,498	47,313
Trading costs	12	26,985	-	26,985	24,461
Financing costs	12	100	-	100	79
Charitable activities	12	4,605,102	-	4,605,102	4,110,287
<b>TOTAL EXPENDITURE</b>	12	<b>4,632,187</b>	<b>5,498</b>	<b>4,637,685</b>	<b>4,182,140</b>
<b>Net gains/(losses) on investments</b>		<b>-</b>	<b>8,031</b>	<b>8,031</b>	<b>(66,990)</b>
<b>Net income and expenditure before transfers</b>		<b>(679,157)</b>	<b>8,192</b>	<b>(670,965)</b>	<b>(129,324)</b>
Transfers between funds	22	569,303	(569,303)	-	-
<b>NET INCOME</b>		<b>(109,854)</b>	<b>(561,111)</b>	<b>(670,965)</b>	<b>(129,324)</b>
<b>Other recognised gains/(losses):</b>					
Pension scheme actuarial gains/(losses)	26	7	-	7	5,848
<b>Net movement in funds for the year</b>		<b>(109,847)</b>	<b>(561,111)</b>	<b>(670,958)</b>	<b>(123,476)</b>
Fund balances at 1 September 2022		5,219,946	561,111	5,781,057	5,904,533
<b>FUND BALANCES AT 31 AUGUST 2023</b>		<b>5,110,099</b>	<b>-</b>	<b>5,110,099</b>	<b>5,781,057</b>

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 19 to 36 form part of these financial statements.

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

**BALANCE SHEET**  
**YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted General Funds 2023 £	Total Funds 2022 £
<b>FIXED ASSETS</b>			
Tangible assets	16	4,529,754	4,579,262
Investments	17	-	491,899
		<hr/>	<hr/>
		4,529,754	5,071,161
<b>CURRENT ASSETS</b>			
Investments	17	499,930	-
Stocks	18	55,482	41,155
Debtors	19	230,473	165,887
Cash at bank and in hand	20	722,050	1,398,375
		<hr/>	<hr/>
		1,507,935	1,605,417
<b>CURRENT LIABILITIES</b>			
Creditors payable within one year	21	(926,909)	(894,373)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		581,026	711,044
		<hr/>	<hr/>
<b>TOTAL NET ASSETS EXCLUDING PENSION LIABILITY</b>			
		5,110,780	5,782,205
Net pension liability	26	(681)	(1,148)
		<hr/>	<hr/>
<b>NET ASSETS</b>		5,110,099	5,781,057
		<hr/>	<hr/>
<b>REPRESENTED BY:</b>			
Unrestricted funds:			
General	22	5,110,099	5,219,946
Designated	22	-	561,111
		<hr/>	<hr/>
		5,110,099	5,781,057
		<hr/>	<hr/>

Approved by the Board on 11/3/2024 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 2023**

	Notes	2023 £	2022 £
<b>Cash flows from operating activities:</b>			
Net cash from operating activities	1	(488,086)	292,260
<b>Cash flows from investing activities:</b>			
Interest received		7,799	1,168
Interest paid		(100)	(79)
Payments to acquire tangible fixed assets		(195,478)	(109,076)
Net cash from investing activities		(187,779)	(107,987)
<b>Cash flows from financing activities:</b>			
Pension fund liability repaid		(460)	(1,568)
Net cash from financing activities		(460)	(1,568)
<b>(Decrease)/increase in cash and cash equivalents</b>		<b>(676,325)</b>	<b>182,705</b>
<b>Cash and cash equivalents at the beginning of the year</b>	2	<b>1,398,375</b>	<b>1,215,670</b>
<b>Cash and cash equivalents at the end of the year</b>	2	<b>722,050</b>	<b>1,398,375</b>

# AYSGARTH SCHOOL TRUST LIMITED

## NOTES TO THE CASH FLOW STATEMENT YEAR ENDED 31 AUGUST 2023

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

	2023 £	2022 £
Net income and (expenditure)	(670,965)	(129,324)
Depreciation charges	198,057	185,968
Loss on disposal of fixed assets	46,929	-
(Increase)/decrease in stocks	(14,327)	(1,453)
(Increase)/decrease in debtors	(69,951)	(12,972)
Increase/(decrease) in creditors	37,901	184,140
(Gain)/loss on investments	(8,031)	66,990
Interest received	(7,799)	(1,168)
Interest payable	100	79
<b>Net cash inflow from operating activities</b>	<b>(488,086)</b>	<b>292,260</b>

### 2. Analysis of cash and cash equivalents

	At 31/08/23 £	At 31/08/22 £
Cash at bank and in hand	722,050	1,398,375
	<b>722,050</b>	<b>1,398,375</b>



# **AYSGARTH SCHOOL TRUST LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2023**

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### **1 STATUTORY INFORMATION**

The charity is a private 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. 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. As described in note 22 the Aysgarth School Foundation Fund was transferred to general funds at the year end.

#### **2.3 Resources expended**

Expenditure is accrued as soon as there is a contractual obligation or a liability is considered probable. 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 2023**

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### **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 2023**

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### **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 2023**

### **3 CHARITABLE ACTIVITIES - SCHOOL FEES**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Gross fees	<b>4,336,255</b>	4,398,073
Less: Bursaries, scholarships and remissions	<b>(584,791)</b>	(528,639)
	<b>3,751,464</b>	3,869,434

### **4 CHARITABLE ACTIVITIES - OTHER EDUCATIONAL INCOME**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Learning support tuition fees	<b>11,629</b>	8,068
Funding for learning support	<b>15,193</b>	-
Overnight stays	<b>41,049</b>	36,765
Registrations	<b>8,081</b>	2,040
Educational extras	<b>22,233</b>	17,201
Pre prep events	<b>785</b>	62
Other income	<b>31,235</b>	32,927
	<b>130,205</b>	97,063

### **5 OTHER TRADING ACTIVITIES**

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

### **6 INVESTMENTS**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Bank interest receivable	<b>7,799</b>	1,168

# **AYSGARTH SCHOOL TRUST LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** **YEAR ENDED 31 AUGUST 2023**

### **7 DONATIONS AND LEGACIES**

	2023 £	2022 £
<b>Unrestricted general donations</b>		
Sundry donations	2,502	1,970
	<b>2,502</b>	<b>1,970</b>
<b>Unrestricted designated donations</b>		
Aysgarth School Foundation	5,375	91,366
	<b>7,877</b>	<b>93,336</b>

### **8 OTHER INCOMING RESOURCES**

	2023 £	2022 £
Sundry other income	13,880	14,828
	<b>13,880</b>	<b>14,828</b>

### **9 EXPENDITURE**

	2023 £	2022 £
<b>Charitable activity expenditure includes:</b>		
Auditors' remuneration		
audit fees	6,300	5,928
non audit fees	10,104	9,486
Depreciation		
owned assets	198,057	185,968
Operating lease charges	9,036	6,654
Bank interest and charges	60	30

# AYSGARTH SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2023

### 10 STAFF COSTS

	2023 £	2022 £
<b>The aggregate payroll costs for the year were:</b>		
Wages and salaries	2,139,439	1,891,877
Social security costs	211,832	185,733
Pension contributions	364,197	321,777
	<b>2,715,468</b>	<b>2,399,387</b>

Included in staff costs are redundancy or termination payments totalling £6,061 (2022: £nil).

	2023 £	2022 £
Aggregate employee benefits (including employers pension contributions) of key management personnel and connected persons thereof	<b>556,639</b>	<b>589,564</b>

#### Number of employees:

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Teaching staff and administrative staff	49	45
Household staff and groundsmen	20	22
	<b>69</b>	<b>67</b>

# **AYSGARTH SCHOOL TRUST LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2023**

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### **10 STAFF COSTS CONTINUED**

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

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
£60,000 - £70,000	<b>1</b>	<b>2</b>
£70,001 - £80,000	<b>3</b>	<b>-</b>
£110,001 - £120,000	<b>-</b>	<b>1</b>
	<hr/> <hr/>	<hr/> <hr/>

### **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 £Nil (2022: £2,787) 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 £1,652 (2022: £1,312).

Travel expenses of £255 were re-imbursed to 2 Governors (2022: £417 re-imbursed to 1 Governor).

# **AYSGARTH SCHOOL TRUST LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** **YEAR ENDED 31 AUGUST 2023**

### **12 ANALYSIS OF TOTAL RESOURCES EXPENDED**

	Staff costs (note 10 ) £	Other costs £	Depreciation £	2023 Total £	2022 Total £
<b>Costs of generating funds</b>					
Fundraising costs of donations	-	5,498	-	<b>5,498</b>	47,313
Trading costs	-	26,985	-	<b>26,985</b>	24,461
Financing cost (note 13)	-	100	-	<b>100</b>	79
<b>Resources expended on generating funds</b>	-	32,583	-	<b>32,583</b>	71,853
<b>Charitable activities</b>					
Teaching	1,994,211	213,856	38,905	<b>2,246,972</b>	1,977,208
Welfare	140,703	546,547	10,494	<b>697,744</b>	665,677
Premises	246,563	613,380	148,658	<b>1,008,601</b>	913,246
Support	333,832	307,325	-	<b>641,157</b>	538,917
School operating costs	2,715,309	1,681,108	198,057	<b>4,594,474</b>	4,095,048
Grants, awards and prizes	-	10,628	-	<b>10,628</b>	15,239
<b>Resources expended on charitable activities</b>	2,715,309	1,691,736	198,057	<b>4,605,102</b>	4,110,287
<b>Total resources expended</b>	<b>2,715,309</b>	<b>1,724,319</b>	<b>198,057</b>	<b>4,637,685</b>	4,182,140

Governance costs of £6,554 (2022: £6,285) are included in support costs, as noted above.

### **13 FINANCING COST**

	2023 £	2022 £
Bank charges	<b>60</b>	30
Pension scheme financing cost	<b>40</b>	49
	<b>100</b>	79



# **AYSGARTH SCHOOL TRUST LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2023**

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### **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 2023**

### **16 TANGIBLE FIXED ASSETS**

	Freehold property £	Plant, equipment £	Computer equipment £	School furnishings £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 September 2022	5,614,898	760,008	291,742	255,507	100,070	<b>7,022,225</b>
Additions	81,653	55,818	29,586	9,264	19,157	<b>195,478</b>
Disposals	(46,792)	(94,327)	(95,177)	(60,671)	(25,786)	<b>(322,753)</b>
<b>At 31 August 2023</b>	<b>5,649,759</b>	<b>721,499</b>	<b>226,151</b>	<b>204,100</b>	<b>93,441</b>	<b>6,894,950</b>
<b>Depreciation</b>						
At 1 September 2022	1,169,768	692,212	256,495	234,747	89,741	<b>2,442,963</b>
Charge for the year	117,379	37,765	26,644	10,494	5,775	<b>198,057</b>
Disposals	-	(94,327)	(95,177)	(60,671)	(25,649)	<b>(275,824)</b>
<b>At 31 August 2023</b>	<b>1,287,147</b>	<b>635,650</b>	<b>187,962</b>	<b>184,570</b>	<b>69,867</b>	<b>2,365,196</b>
<b>Net book value</b>						
At 31 August 2023	4,362,612	85,849	38,189	19,530	23,574	<b>4,529,754</b>
<b>Net book value</b>						
At 31 August 2022	4,445,130	67,796	35,247	20,760	10,329	<b>4,579,262</b>

All assets are used for charitable purposes.

Included in the cost of freehold property is £3,516,288 (2022: £3,563,080) which is not depreciated.

The insured value of the School's buildings is £37.5m.

# **AYSGARTH SCHOOL TRUST LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** **YEAR ENDED 31 AUGUST 2023**

### **17 INVESTMENTS**

<b>Market value</b>	<b>Listed Investments</b>
	<b>£</b>
At 1 September 2022	491,899
Revaluation	8,031
<b>Valuation at 31 August 2023</b>	<b>499,930</b>
Valuation at 31 August 2022	491,899

As noted in Note 22, the Governors took the decision to transfer the previously designated Aysgarth School Foundation Fund to the General Fund. The intention of the Governors at the year end was to liquidate the investment portfolio within 12 months of the balance sheet date, therefore the investments have been presented as current assets at 31 August 2023.

### **18 STOCKS**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Clothing	55,482	41,155

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

### **19 DEBTORS**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Fee debtors	73,565	61,391
Prepayments and accrued income	156,908	104,496
	<b>230,473</b>	<b>165,887</b>

# **AYSGARTH SCHOOL TRUST LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2023**

### **20 CASH AT BANK AND IN HAND**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Current accounts	<b>10,020</b>	14,743
Business premium account	<b>649,584</b>	1,305,789
Aysgarth School Foundation accounts	<b>59,994</b>	74,577
Cash	<b>2,452</b>	3,266
	<b>722,050</b>	1,398,375

### **21 CREDITORS: DUE WITHIN ONE YEAR**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>145,091</b>	161,304
Taxes and social security costs	<b>52,348</b>	46,616
Pension contributions	<b>38,946</b>	34,968
Accruals and deferred income	<b>168,110</b>	219,366
Fees received in advance	<b>522,414</b>	432,119
	<b>926,909</b>	894,373

Included in accruals and deferred income, is deferred income of £127,089 (2022: £167,562). This represents refundable admission deposits and amounts received in advance for future school trips.

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 2023**

### **22 FUNDS**

	Balance at 1 September 2022 £	Movement in funds			Pension scheme Actuarial gain / (loss) £	Transfers £	Balance at 31 August 2023 £
		Incoming resources £	Resources expended £	Investment gain/(loss)			
<b>General funds</b>	5,219,946	3,953,030	(4,632,187)	-	7	569,303	<b>5,110,099</b>
<b>Designated funds</b>							
Aysgarth School Foundation	561,111	5,659	(5,498)	8,031	-	(569,303)	-
	<b>5,781,057</b>	<b>3,958,689</b>	<b>(4,637,685)</b>	<b>8,031</b>	<b>7</b>	<b>-</b>	<b>5,110,099</b>

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.

Following appropriate consultation, it was agreed by the Governing Body to transfer the previously designated Aysgarth School Foundation fund to the General Fund for the use of the school.

### **Comparatives for movements in funds**

	Balance at 1 September 2021 £	Movement in funds			Pension scheme Actuarial gain / (loss) £	Transfers £	Balance at 31 August 2022 £
		Incoming resources £	Resources expended £	Investment gain / (loss)			
<b>General funds</b>	5,304,494	4,028,429	(4,130,668)	-	5,848	11,843	<b>5,219,946</b>
<b>Designated funds</b>							
Aysgarth School Foundation	600,039	91,377	(51,472)	(66,990)	-	(11,843)	<b>561,111</b>
	<b>5,904,533</b>	<b>4,119,806</b>	<b>(4,182,140)</b>	<b>(66,990)</b>	<b>5,848</b>	<b>-</b>	<b>5,781,057</b>

# **AYSGARTH SCHOOL TRUST LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2023**

### **23 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted 2023 £</b>	<b>Unrestricted 2022 £</b>
Fixed assets	<b>4,529,754</b>	5,071,161
Net current assets/(liabilities)	<b>581,026</b>	711,044
Long term liabilities	-	-
Net pension liability	<b>(681)</b>	(1,148)
	<b>5,110,099</b>	5,781,057

### **24 COMMITMENTS UNDER OPERATING LEASES**

At 31 August 2023 the School had total commitments under non-cancellable operating leases of equipment as follows:-

	<b>2023 £</b>	<b>2022 £</b>
Expiry date:		
Within one year	<b>7,325</b>	2,106
Within two and five years	<b>9,354</b>	2,119
	<b>16,679</b>	4,225

### **25 CAPITAL COMMITMENTS**

At 31 August 2023 the School had capital commitments as follows:

	<b>2023 £</b>	<b>2022 £</b>
Expenditure contracted for but not provided in the accounts	-	-

# **AYSGARTH SCHOOL TRUST LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2023**

### **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 academy trusts. 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 2024.

The employer's pension costs paid to TPS in the period amounted to £322,180 (2022: £285,928).

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 2023**

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### **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 638 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 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. 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 2022 to 31 January 2025:	£3,312,000 per annum (payable monthly)
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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 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:



# AYSGARTH SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2023

### 26 PENSION SCHEMES - continued

#### Pensions Trust's Growth Plan – continued

##### Deficit contributions

From 1 April 2019 to 30 September 2025: £11,243,000 per annum  
(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 2023 (£s)	Period Ending 31 August 2022 (£s)	Period Ending 31 August 2021 (£s)
Present value of provision	681	1,148	8,564

##### Reconciliation of opening and closing provisions

	Period Ending 31 August 2023 (£s)	Period Ending 31 August 2022 (£s)
Provision at start of period	1,148	8,564
Unwinding of the discount factor (interest expense)	40	49
Deficit contribution paid	(500)	(1,617)
Remeasurements - impact of any change in assumptions	(7)	(51)
Remeasurements - amendments to the contribution schedule	-	(5,797)
Provision at end of period	681	1,148

# AYSGARTH SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2023

### 26 PENSION SCHEMES - continued

#### Pensions Trust's Growth Plan – continued

##### Income and expenditure impact

	Period Ending 31 August 2023 (£s)	Period Ending 31 August 2022 (£s)
Interest expense	40	49
Remeasurements – impact of any change in assumptions	(7)	(51)
Remeasurements – amendments to the contribution schedule	-	(5,797)
Contributions paid in respect of future service*	29,199	22,551
Costs recognised in income and expenditure account	29,232	16,752

\*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 2023 % per annum	31 August 2022 % per annum	31 August 2021 % per annum
Rate of discount	6.04	4.46	0.63

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

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