



ASHVILLE

HARROGATE

Ashville College

Report & Consolidated Financial Statements

Registered Charity: 529577

For the Year Ended 31 August 2021

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Governors, Officers and Advisers

GOVERNING BODY

The Governing Body of the charity during the year has been Ashville College Trustee Limited; the Directors of Ashville College Trustee Limited are referred to as 'Governors', or members of the Governing Body. The Directors who held office during the period were as follows:

James C. Search * #	Chair	
Ian Brown*		
Simon Donkin *		
Jeremy C. Henderson LLB *	Deputy Chair	Retired 3 July 2021
David Humphreys		
Peter G. Ingham *		Retired 3 July 2021
Dr Sue Jacklin		Resigned 11 December 2020
Paula Jackman ARB, RIBA		
Revd Leslie Newton		
Michelle Lofthouse		
Christopher Midgley	Deputy Chair (from 1 September 2021)	
Jerome Saint-Marc #		
Nicola Stamford		Resigned 1 October 2021
Anne Vautrey		
J. Peter Whiteley FCA * #		
Tony Winfield *		Resigned 3 July 2021
John Wood		Appointed 3 July 2021
Jonathan Oxley		Appointed 5 December 2020

* Old Ashvillian

Director of Ashville Trading Ltd

None of the Directors had a beneficial interest in any contract to which the company was a party during the year, except as disclosed in note 25.

OFFICERS (Key management personnel)

Richard Marshall BSc, MSc	Head	Deceased 30 November 2020
Elspeth Fisher BsC	Acting Head	Appointed 1 September 2020
		Resigned 31 August 2021
Rhiannon Wilkinson MA (Oxon) MEd	Head	Appointed 1 September 2021
Helen Aindow BA, ACA	Clerk to the Governors & Bursar	
Ian Kendrick	Deputy Head (Academic)	Resigned 28 April 2021
Owen Hillier	Deputy Head (Academic)	Appointed 1 September 2021
Anna Wilby	Deputy Head (Enrichment)	
Laura Jackson	Acting Deputy Head (Pastoral)	Appointed 1 September 2020

ADVISERS

Auditor

Saffery Champness LLP
Mitre House
North Park Road
Harrogate
HG1 5RX

Solicitors

Schofield Sweeney LLP
76 Wellington Street
Leeds
LS1 2AY

Bankers

Lloyds Bank
8 – 11 Cambridge Crescent
Harrogate
HG1 1PQ

Annual Report of the Governing Body acting as trustee for the charity, Ashville College, for the year ended 31 August 2021

Ashville College Trustee Limited as the sole Trustee of Ashville College, presents its annual report for the year ended 31 August 2021, together with the audited financial statements for the year, and confirms that the latter comply with the requirements of the Charities Act, the Trust Deed and the Charities SORP (FRS102).

OBJECTS, AIMS AND OBJECTIVES AND ACTIVITIES

Charitable Objects

The Charity's primary object, as set out in its Trust Deed, is the advancement of education, including the provision of boarding and day schooling for boys and girls within the context of its status as a Methodist School. The Charity also has to maintain its heritage endowment, which includes the College buildings and environment.

Aims and Intended Impact

Within these objects, Ashville College's aim is to be recognised as the school of choice in the Harrogate area to realise academic abilities, nurture individual talents and develop all-round character, in a climate of positive expectation and within the Methodist traditions of the College.

Principal Activities in the Year

The Charity principally provides education in Harrogate to boys and girls from the ages of 3 to 18.

Objectives

2020/21 was the third year of a three-year Strategic Plan (2018 – 2021). The over-riding principal of the strategy is that Ashville "will strive to deliver excellence in teaching and learning every day and in every classroom, including promoting data driven lessons and interventions".

Academic

We will ensure that pupils' academic achievement is rated 'excellent' at the next ISI inspection. This means that teaching and learning will be excellent every day and in every classroom:

- a) Ensure that at least 90% of lesson observations are rated 'secure' or 'high impact'.
- b) Use academic data as a tool for measuring and monitoring pupil performance and targeting intervention.
- c) Implement an effective teacher CPD programme that has real impact in the classroom.

Enrichment

We will enhance the existing enrichment programme, noting that enrichment is a key differentiator for Ashville. At the next inspection we will be rated 'excellent' for pupils' personal development:

- a) Introduce KPIs to measure participation in and impact of the enrichment programme.
- b) Introduce a standalone enrichment programme for all pupils to complement the academic programme.
- c) Develop a successful Oxbridge/ Early Entry programme.
- d) Introduce a Community Engagement Programme.
- e) Ensure that sport and PE is, and is seen to be, a positive experience for all pupils and something that differentiates Ashville.

Pastoral

We will be a school where pastoral care proactively and positively enhances a pupil's academic performance and personal development:

- a) Ensure on-going compliance with all regulation and best practice.
- b) Introduce a pastoral scheme of work that helps pupils' develop the key skills of independence, resilience, personal ambition and aspiration, and supports the academic targets.

	<ul style="list-style-type: none"> c) Have a pastoral system that ensures excellent pastoral care of young people, but also facilitates effective and timely communication with parents.
Boarding	<p>Continue to focus on and increase numbers in boarding:</p> <ul style="list-style-type: none"> a) Move forward with the work already undertaken looking at the existing boarding facilities. b) Review the recruitment processes for boarders and explore how we can increase recruitment in a sustainable manner. c) Minimise the reliance on existing recruitment markets.
IT	<p>We will ensure that the College has a safe and robust IT infrastructure that facilitates the effective use of ICT in teaching and learning, and a productive working environment for staff and pupils:</p> <ul style="list-style-type: none"> a) Routinely use ICT in the classroom to positively benefit teaching and learning and to give pupils opportunities to improve their IT skills. b) Implement systems that support productivity, collaboration, communication and project management for both teaching and non-teaching staff.
Campus	<p>We will continue to invest in the campus to ensure that we have facilities that meet our ambition to be a leading 21st Century learning environment.</p> <p>This includes the following:</p> <ul style="list-style-type: none"> a) Complete refurbishment of the dining room over two phases in Summer 2019 and Summer 2021. b) Plan for the future of the Bowick building. c) Create a rolling maintenance plan to ensure the effective upkeep of our existing facilities. d) Continue to ensure Health and Safety standards are consistently met and Health and Safety is fundamentally embedded into the culture of the College.
Operations and Compliance	<p>We will invest in the professionalisation of the operations, to ensure best practice and compliance in all areas:</p> <ul style="list-style-type: none"> a) Ensure appropriate professional expertise is retained where required. b) Ensure compliance is maintained in all relevant areas, including embedding a culture of best practice around compliance and data protection across the College. c) Explore areas to generate more free cashflow, to protect the College's ability to invest in the future.

Annual Report of the Governing Body acting as trustee for the charity, Ashville College, for the year ended 31 August 2021 (continued)

STRATEGIC REPORT

It is important to note that the Coronavirus pandemic had an impact on the strategic work accomplished by the College in the year due to the need to react quickly and tactically to the ever changing demands of the situation. The Spring term was dominated by remote learning.

Achievements and Performance

The achievement and performance against the goals for 2020/21 were as follows:

Academic

- A renewed focus on the latest pedagogy with the introduction and implementation of new Golden Rules for teaching at Ashville. These set out clear principles which are the foundation of excellent classroom practice and are informed by research studies.
- A continued focus on providing a knowledge rich and diverse curriculum has been seen in the review of curriculum intent in a number of subject areas under the guidance of the Assistant Head Teacher for Teaching and Learning.
- A new quality assurance system has been established with a focus on staff development and accountability for the delivery of high quality lessons.
- A new marking and feedback policy has been introduced to ensure that all pupils receive and respond to individual feedback in order to enhance their academic progress.

Enrichment

- The Enrichment programme was reviewed and after consultation, decisions were made to relaunch and rebrand in the 21/22 academic year. It is now the Co-Curricular programme.
- A new Director of Sport began to create a more inclusive culture in the Sports department.
- A review of the monitoring of exhibitioners and scholars took place with clear guidelines put in place for the 21/22 academic year.
- A Year 7 values passport was designed to encourage participation in Co-Curricular activities and awareness of transferable skills.

Pastoral

- A new kindness group was established to promote “Bee Kind” and to positively engages students around anti-bullying. This includes Year 13 peer mentors for younger students and anonymous forms/suggestion boxes so all students can have their say.
- Focus group meetings with each year group have been set up to gather information to provide further support around mental health, academics and generally in order to facilitate post-lockdown learning.
- Flourishing@Asville has been set up to deliver PHSE in a positive and engaging way to support pupils development into fully-rounded, productive and happy members of society. This includes academic tutoring, wellbeing, relationships and sex education and charity work.
- Significant work is continuing on behaviour, including updating the policy, tutor work, assemblies and home contact.

Annual Report of the Governing Body acting as trustee for the charity, Ashville College, for the year ended 31 August 2021 (continued)

Boarding

- A dedicated Head of Boarding for the College was appointed in September 2020.
- Boarding pupils returned to the College in mid-August to allow for a two week period of self-isolation before the start of the Autumn Term.

Campus

- **Refurbishment of the dining room**
The first phase of the dining room refurbishment was completed in the Summer of 2019. Phase 1 consisted largely of an extension to the existing dining room in order to locate new equipment and increase the capacity of the dining space. The second phase was originally scheduled for the Summer of 2020, with a re-fit of the kitchens and modernisation of the equipment. Due to the restrictions imposed by Coronavirus this was delayed to the Summer and Autumn of 2021 and it was completed in November 2021.
- **Refurbishment of the swimming pool**
Work to refurbish the swimming pool was completed in the year. This work included essential work on the pipes, the lining and surround of the pool.
- **Plans for the Bowick building**
The Bowick building houses the Food Technology, Religious Studies and Business departments and currently has temporary planning permission to October 2022. A 5 year extension to the temporary planning permission was obtained during the year.

Annual Report of the Governing Body acting as trustee for the charity, Ashville College, for the year ended 31 August 2021 (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is governed by its Trust Deed dating from 1903 and last amended in 2004.

Governing Body

Ashville College Trustee Ltd is the sole trustee of Ashville College. The Directors of Ashville College Trustee Ltd, as set out on page 3, are referred to as the 'Governors'. The College is an associate member of the Methodist Independent Schools Trust (MIST); however, the Ashville College governing body is independent from MIST.

Appointment and Training of Governors

The Trust Deed allows for a maximum of 18 Governors:

Ex-Officio Directors

There are three ex-officio Directors:

- The Chair of the Yorkshire North and East District of the Methodist Church;
- A representative of the Methodist Independent Schools Trust (currently the Trust's General Secretary); and
- The President of the Ashvillian Society.

Nominated Directors

There are twelve nominated Directors, whose appointment is confirmed by the Methodist Conference:

- Ten are nominated by the Board of Directors; and
- Two are nominated by the Methodist Independent Schools Trust.

Co-opted Directors

There are three co-opted Directors. The appointment of a co-opted Director is for a specific period, not exceeding three years.

On an annual basis, the make up on the Governing Body is considered by the Governance & Nominations Committee. Nominated and co-opted Directors are then appointed to the Board of Ashville College Trustee Limited on the basis of nominations and applications received from a wide range of sources. Eligibility, personal competence, specialist skills and availability are assessed by the Governance & Nominations Committee before being considered for election by the full Governing Body. New Governors are inducted into the workings of the Charity and its school, including policy and procedures, through visits to the school; meetings with the Headmaster, Bursar and Chair of Governors; and, the provision of handbooks and similar literature. All Governors receive information on, and are encouraged to take up, training opportunities. A register of Governor training is maintained.

Annual Report of the Governing Body acting as trustee for the charity, Ashville College, for the year ended 31 August 2021 (continued)

Governance

Ashville College Trustee Limited, through its Board of Directors, is legally responsible for the overall management and control of the entire College and meets at least three times a year. The work of implementing most of its policies is spread between three sub-committees. This structure is set out below.

Finance & General Purposes Committee	<p>Meets twice per term to:</p> <ul style="list-style-type: none"> • monitor the non-teaching functions of the College, including estates, buildings and land, transport, cleaning, catering, human resources, IT and health & safety; • review the financial statements and performance against agreed budgets; • scrutiny of the annual accounts and the annual budget before presentation to the full Governing Body; • cash planning and control of assets; • overseeing borrowings, bank loans, and investments; • scrutiny of capital expenditure requests and financial projections regarding the strategic development plan; and • ensuring implementation of sound internal financial controls and procedures and review of all financial regulatory requirements.
Education, Enrichment & Welfare Committee	<p>Meets twice per term to:</p> <ul style="list-style-type: none"> • determine, implement and sustain the formal and informal curriculum for the three schools making up the College; • maintain and, where possible, improve the standards of pupils' academic and the other achievements; and • ensure the coherence of both the pastoral and curriculum philosophies throughout the school, to ease pupils' passage from key stage and from class to class throughout the College.
Governance & Nominations Committee	<p>Meets each term to:</p> <ul style="list-style-type: none"> • review and approve pay rises and movements up the leadership scale for key management; • act as a nominations panel for new Governors; and • take the lead in the appointment of senior management as and when required.

All sub-committees are chaired by a Director, with membership embracing a combination of Governors and appropriate members of senior management. At every meeting Governors are asked to disclose any conflict of interest; every agenda also includes safeguarding as a standing item.

Review of Governance

The Board undertakes annual self-review, including a review of the Board's skill mix and diversity. This self-review is undertaken by the Governance & Nominations Committee.

The Board has agreed to appoint an independent, external reviewer to evaluate the effectiveness of the Board on a five yearly basis. The first such review was undertaken by the Association of Governing Bodies of Independent Schools ('AGBIS') in Summer 2018, with the next evaluation due in 2023.

Charity Governance Code

Good governance in charities is fundamental to their success. A charity is best placed to achieve its ambitions and aims if it has effective governance and the right leadership structures. For this reason, the Governors are committed to achieving the recommended practices described in the Charity Governance Code. The Code is deliberately aspirational and it is not envisaged that charities will fulfil all of the principles immediately.

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Having considered the Code, the Governors believe that they have not fully applied the following principles that are set out in the Code:

- a) **Size of Board:** The Governance Code suggests a board of between 5 and 12 trustees is considered best practice. As part of the review of governance undertaken in 2018, the Board considered its current membership and agreed that the size of board was appropriate for Ashville. A board of up to 18 people ensures that the board has a broad range of skills and expertise, and also is of sufficient size to represent the charity's various stakeholders.
- b) **Length of Service:** Governors are appointed for a period of three years, but are able to be re-elected at the end of their term. There are some Governors who have served for more than 9 years. The Board believes that having a small number of Governors who have served for more than 9 years provides useful 'institutional memory' for the Board without damaging the need to progressively refresh the Board. Where a Governor who has served for more than 9 years is re-elected their re-appointment is reviewed by the Governance & Nominations Committee.
- c) **Diversity:** While the Governors have taken informal steps to ensure that the Board is made up of individuals with a diverse range of skills and backgrounds, and also is representative of the College's various stakeholder groups (parents, Old Ashvillians, the Methodist Church) without losing its independence, the Board does not yet have a formal diversity plan. Such a plan will be drawn up by the Governance & Nominations Committee during the course of the year.

Annual Report of the Governing Body acting as trustee for the charity, Ashville College, for the year ended 31 August 2021 (continued)

Organisational Management

The day to day running of the schools is delegated to the Head and Bursar of Ashville College, who are supported by the Executive Leadership Team (ELT). The Head and/or the Bursar attend all Governor sub-committee meetings.

The key management personnel are defined as the Head, the Deputy Head (Pastoral), Deputy Head (Academic), Deputy Head (Enrichment) and the Bursar; all of whom have responsibility for planning, directing and controlling the activities of the school on a College-wide basis.

The remuneration of key management personnel is set by the Governing Body, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the College's success.

The appropriateness and relevance of the remuneration policy is reviewed annually by the Finance & General Purposes Committee including reference to comparisons with other independent schools to ensure that the College remains sensitive to the broader issues of pay and employment conditions elsewhere.

We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence in future years. The Governing Body recognises that delivery of the College's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

Group Structure and Relationships

The Charity has a wholly owned, non-charitable subsidiary, Ashville Trading Limited. The main activities of Ashville Trading Limited are operating Ashville Sports Centre; managing residential and non-residential lettings of the College's facilities and the commercialisation of the College's intellectual property through a partnership with a group of schools in Hong Kong and China.

Ashville Foundation is a separate charity, whose purpose is to provide bursaries and other financial support to current and prospective pupils of Ashville who would not otherwise be able to attend the College. There is a close relationship between the College and the Foundation with a number of Governors also being Trustees of the Foundation.

The College also benefits from the generosity of a thriving network of former pupils, The Ashvillian Society. The Governors greatly appreciate and gladly acknowledge the close support of this body.

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PUBLIC BENEFIT

In setting our objectives and planning our activities, the Board has given careful consideration to Section 4 of the Charities Act 2011 and the Charity Commission's guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing education and fee-charging.

The College audits and reports on its public benefit both in terms of activity and monetary value on an annual basis; this report is considered by the Governing Body on an annual basis.

Admissions

The Charity's primary objective is the advancement of education for boys and girls in Harrogate; therefore, the main way that the Charity fulfils its public benefit is through admissions into the College. The Governors are cognisant of the fact that the financial cost of independent education is an impediment to some children attending Ashville, therefore the College strives to ensure that it remains accessible to as wide a range of families as possible; this is achieved through the provision of direct financial support by way of bursaries and a fair admissions process.

Ashville College welcomes pupils from all backgrounds. The Governors want to ensure that potential pupils will benefit from the education the College provides and can cope with the pace of learning; hence entrance interviews and assessments are undertaken prior to a place being offered. However, an individual's economic status, gender, ethnicity, race, religion or disability do not form part of this assessment process.

The Governors are also committed to broadening access to the College by offering means-tested financial support to eligible parents/guardians. Such support is known as a bursary and these are awarded in the form of a discount on fees depending on the financial, compassionate or other pertinent circumstances of applicants. The bursary awards range from 10 percent to 100 percent remission of fees.

Our bursary awards are available to all who meet our general entry requirements and information about bursaries is made available to all applying to the College and information on bursaries is available on the College website. However, the College does not have a large endowment and must ensure that there is a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

In addition to bursaries, scholarships are awarded to recognise high academic potential or the ability to excel in other areas of the College, including sport, drama and music. The Governors have a deliberate policy of reducing the financial discount associated with scholarships and directing this saving into bursary funding.

This year, the value of "normal" (i.e. non-coronavirus related) scholarships and bursaries made to the schools' pupils totalled £0.9m, being 6.9 per cent of gross fees (£1.0m in 2020 being 8.2 per cent of gross fees). 213 pupils (2020: 260) benefited from some form of discount against their fees in 2020-21, 1 of these were for 100% boarding bursaries and 7 were for 100% day bursaries. 1 new bursary was granted in the year, at 50% value.

Support during the Coronavirus pandemic

The College remained committed to continuing to provide support to Ashville families as the impact of the Coronavirus pandemic continued to be felt in the 20/21 school year. The lockdown in November 2020, the tier 3 restrictions in parts of Ashville's catchment area and the further lockdown and closure of schools on 5th January 2021 resulted in further financial hardship for a number of Ashville families, outside of the "normal" levels experienced in years prior to the current and the previous year.

Following the closure of the school in January 2021 the College immediately moved back to online learning and committed to a 7.5% discount against day fees for students, which is recognised as a direct reduction against the gross fees receivable line. Parents were again encouraged to contact the College directly in the case of more significant financial hardship, leading to the need for additional financial support.

Throughout 2021 the College supported 22 pupils from 16 families, for a total of £38k through the provision of temporary bursaries ranging from 3% - 60% (in addition to the 7.5% discount provided to pupils for the Spring Term and, in some cases, existing bursary support). These temporary bursaries were funded through the Ashville Foundation, which received generous support from parents and Old Ashvillians totalling £17.6k in the year. The

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College also donated £200k out of the 19/20 surplus to the Ashville Foundation in anticipation of further support being required in 21/22 and beyond. In addition to this, the Ashville Foundation organised the transfer of funds from a £127k donation that was generously made in the will of the Reverend Morton. Previously the funds were held in a separate trust from which the College received interest annually. The cash is now available in the Ashville Foundation to be used to support hardship bursaries.

Similar, but to a lesser extent to the 19/20 year, the College was able to insulate against significant losses during closure due to usage of the Government furlough scheme and indirect cost saving benefits of the school buildings being closed. The College is, however, aware that the economic impacts of the pandemic are likely to continue into the 21/22 school year and that the Government support and cost saving opportunities during the lockdowns in 2020 and 2021 will not be available at the same rate (or at all) going forward. Therefore, a further donation of £100k has been made out of 20/21 surplus to be restricted for future bursary usage, per the terms of the Ashville Foundation, to allow the College to continue to support families facing hardship in further years of uncertainty.

Community Access

Ashville College plays a vital part in the local community. In addition to the local and national charitable activities described below, the Governors actively support the sharing of facilities with the local community. Some examples from the year are:

- A three-day Easter sports camp was held in April 2021, with more than 120 boys and girls from Years 5 to 8 from across the Harrogate District attending each session. Due to Covid, for many it was their first opportunity this year to experience an organised outdoor sporting activity.
- The on-site Sports Centre is open to the public, and has recently revamped its membership programme to make the Centre more accessible to the community, including affordable membership fees and pay as you go options, and no long-term contracts.
- The College's Director of US International Studies continues to work closely with American students at Ashville and in the local community. Ashville provides information to families moving to the UK about the education system, and offer advice about how best to navigate the transition from the US system.

Charitable Giving & Activities

In line with the Charity's Methodist ethos, all pupils across the College are encouraged to take part in charitable activities. During the year, the pupils raised money for a number of international, national and local charities. Many initiatives are supported by the College's dedicated Charity Committee, which is made up of staff and pupils. During the course of the year, the College supported a range of charitable projects, a few examples of which are:

- Despite the lockdowns and restrictions in schools, Ashville's Charity Committee has continued fundraising activities and initiatives throughout the year, with charity days in 2020-21 raising thousands of pounds for Children in Need (£1,425) and Comic Relief (£1,626).
- In July 2021, a number of Sixth Formers completed a sponsored overnight basketball challenge, raising more than £2,000 for Macmillan Cancer Support.
- Individual campaigners, both pupils and staff, from the Ashville family, included:
 - A sixth former who raised over £5,000 for Macmillan Cancer Support in November 2020, by hosting and performing in her own virtual concert, joined by other pupils.
 - A Year 10 pupil raised £5,000 for Cancer Research UK by completing five 10K runs in five days.
 - The College's Director of Sport raised over £2,000 for the same charity by running 5K a day.

Annual Report of the Governing Body acting as trustee for the charity, Ashville College, for the year ended 31 August 2021 (continued)

- One of our sixth form pupils is a Youth Panel member for charity Action for Stammering Children, and continues to campaign tirelessly to improve services and opportunities for children and young people with a stammer. He recently became one of only five youngsters from the UK to become a global winner of the inaugural Rise Challenge, which was launched by a former Google CEO to support exceptional young people in the service of others.
- Additionally, the College has been thanked by the Duke of Edinburgh's Award scheme for the volunteering efforts of its Bronze Award pupils. Between April 1, 2020, and March 31, 2021, the pupils spent 299 hours volunteering – with an estimated social value of £1,360
- Harvest Festival and Christmas food donations to Harrogate Food Bank and the Harrogate Homeless Project have been heartily supported by pupils and parents
- Oatlands Community Group received handmade Easter cards from our junior boarder.
- Unused sports kit donated to Care4Calais, a volunteer-run refugee charity that helps refugees in France and Belgium

Annual Report of the Governing Body acting as trustee for the charity, Ashville College, for the year ended 31 August 2021 (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Fee income

Fee income this year increased by 1.0%, moving to £12.72m from £12.65m in the prior year. Normal fee discounts reduced in % terms to 6.9% of gross fee income, from 8.2% in the prior year. Note, these are “normal” fee discounts that do not relate to Coronavirus (or other significant, temporary financial hardship) related bursaries, which are funded through the Ashville Foundation. These bursaries are shown in the restricted funds line, and totalled £38k in the current year, compared to £57k in the previous year. An additional discount of 7.5% against day fees during the January 2021 lockdown and closure of schools, is recognised as a direct reduction to gross fees, compared to the equivalent discount of 20% against gross fees in the initial 2020 lockdown and school closure.

In recognition that the economic impacts of the Coronavirus pandemic and lockdowns is likely to be felt by some of our families for a number of years more, the College has donated £100k out of 20/21 surplus to the Ashville Foundation, in order to fund ongoing bursaries. This is in addition to the £200k donation that was made out of 19/20 surplus. This is in recognition that while the school was closed during the January lockdown it was able to financially insulate itself using furlough and cost savings relating directly to the school buildings being closed. These cost saving opportunities are not expected to be available going forward and therefore the donation has been made to ensure that the school is able to support students who need it in the 21/22 financial year and beyond, through use of the Ashville Foundation.

Other income

Other income is made up of £112k of furlough grants from the Government, this compares to £421k received in grants in the previous year. Though the College was able to make good use of this scheme in the Spring 2021 lockdown, the grants received were not as significant as in 2020 as the College remained open for significantly more key worker pupils during Spring 2021, leading to higher staffing requirements than in the 2020 lockdown.

The remainder of other income relates to rental income on owned properties and small incidental recharges such as musical instrument hire, blazer sales and travel income.

Trading income and expenditure will be covered later in this section.

Expenditure

Expenditure on charitable activities decreased by 2.0% in the year to £12.2m (2020: £12.3m). Please note that savings through furlough are recognised through other income as outlined above, not as a direct reduction against costs:

- Teaching costs remained largely in line with prior year, with a slight reduction of 0.1%;
- Welfare costs increased by £296k (21.4%). This is following a reduction in 2020 of £477k (compared to 2019), which was due to the full benefit of the Government imposed closure of the College leading to no requirement for catering between closure and the full re-opening of the College for the Autumn 2020 Term and the saving of other welfare costs during the period the buildings were closed. The increase in the current year reflects the shorter period in 2021 during which the College was closed. It is still a significant reduction compared to “normal” years, and is subsequently £181k (9.7%) lower than in 2019;
- Premises costs have reduced by £64k (6.3%) due to a one off £110k spend on the refurbishment of Mallinson House (Senior boys boarding house) in the Summer of 2020, offset by a reduction in the cost savings realised due to the school buildings being closed in the current year compared to the prior year. More key worker children remained in school during the Spring 2021 lockdown, compared to the 2020 lockdown, meaning that the full savings resulting from closure of the buildings in 2020 were not realised in 2021 to the same extent;
- Support costs have remained largely in line with prior year, due to a continued spending freeze in support areas of the College;
- Depreciation remained largely in line with prior year, with a slight reduction resulting from assets coming to the end of their depreciation period; and

Annual Report of the Governing Body acting as trustee for the charity, Ashville College, for the year ended 31 August 2021 (continued)

- Finance and other costs have reduced by £120k (69.8%) due to a more prudent approach taken to the bad debt provision in the prior year (£52k) and the subsequent release as the debt was then written off in the current year of £40k.

Fee debt

Fee debt reduced this year to £82k at the year end (2020: £123k); equivalent to 0.7% of net fees receivable in the year (2020: 1.1%). The specific provision against fee debt was also reduced to £65k in the year (2020: £106k); this is made up of only a very small number of individuals who the College continues to pursue.

Capital expenditure

Capital expenditure was £827k in the year (2020: £548k). This related to £448k for Phase 2 of the dining room project which was delayed from the Summer of 2020 to the Summer of 2021 due to Coronavirus restrictions. The work continued beyond the Summer and therefore the capital expenditure related to the dining room is recognised as an asset under the course of construction. Further spend related to £143k to complete the works to the swimming pool, which were started in the Summer of 2020. There was also continued investment in the IT infrastructure, including display screens, wireless infrastructure and computers for staff and pupil use (£81k).

Borrowings

At the year-end total borrowing was £1.5m (2020: £1.8m) with Lloyds Bank plc. The loan with Lloyds is repayable to March 2027 and is on a fixed rate of 3.49%. It is secured on two residential properties owned by the College.

The College's other borrowings/obligations relate to:

- A £100k loan from Holroyd Howe, which is repayable over the ten years of the contract ending March 2028. At the year end the total balance outstanding was £62k.
- An obligation against a capital draw down of £268k from Holroyd Howe. As part of the contract between Holroyd Howe and the College, Holroyd Howe will make a £500k capital contribution to the College. The College has drawn down £321k against this, but is obliged to remain in the contract with Holroyd Howe until the contract end date in March 2028, therefore the draw down has been recognised as a liability on the balance sheet and will be released to the SOFA in accordance with the terms of the contract; the balance at year end was £268k, and
- £165k finance lease obligation for the investment in IT equipment.

Ashville Trading Limited

Ashville Trading Ltd made a profit of £86k in 2021 following a loss in 2020 of £19k. The profit was primarily due to payment of a £100k insurance claim for business interruption caused by the pandemic during 2019-2020.

Sports Centre

The Sports Centre reopened to facility bookings in Sept 2020, but was closed in both November and from January through to April during the Government lockdowns. Membership fees resumed from April through to the year end, some loss in revenue was offset by furlough grants and cost savings resulting from the closure of the buildings and facilities.

Lettings

Lettings bookings postponed from 2019-20 returned to the College in Summer 2021.

The College did not charge rent to Ashville Trading for six months of the year during the periods of closure to members. This led to a saving of £25k in Ashville Trading.

Government grants

Ashville Trading received £45k in furlough grants from the Government to counteract some of the impact of Coronavirus (2020: £78k).

Annual Report of the Governing Body acting as trustee for the charity, Ashville College, for the year ended 31 August 2021 (continued)

Ashville Trading Limited has negative reserves of £1k in 2021 (2020: £87k). Forecasts indicate that Ashville Trading Limited will be profitable going forward, and therefore the expectation is that profit in 2022 will bring Ashville Trading Limited into positive reserves which will allow a gift aid donation to be made to Ashville College.

Purpose of Ashville Trading

The purpose of Ashville Trading Limited is to utilise the facilities and intellectual property of Ashville College in order to enhance lives in the wider community through education and enrichment. At Ashville and around Harrogate many people appreciate the excellent educational and enrichment work that helps pupils thrive at Ashville College. Outside the daily school life, Ashville Trading engages in a variety of activities which open the facilities and opportunity for learning and enjoyment to a much wider audience at home and abroad.

These activities not only benefit the participants but Ashville as a whole by raising the profile of the College to support recruitment, particularly of boarders, and raise funding to support investment in College resources. Some also provide personal development opportunities for College staff. Due to the Coronavirus restrictions in the financial year a number of Ashville Trading's usual activities were on hold at various points in the year. The examples below were either completed before the Coronavirus restrictions were put in place, continued in a Covid-secure manner, or were delayed until after Coronavirus restrictions were lifted:

For the very youngest

- Ashville swim schools – vital life skills for children
- Children's parties in a fun and safe environment
- Kind Hing Ashville International Kindergarten, Lantau Island, Hong Kong

Building confidence, teamwork and individuality

- Introduction to and building skills in a wide range of sports
- Summer camps – day and residential activities.

Promoting Health and Wellbeing

- Sports centre membership for staff and the public
- Range of group exercise classes for all abilities
- On-site access to physio and personal trainers
- Hosting community and sporting events

Auditorium for special events for up to 600

- Guest presenters
- Harrogate Film Society
- Dance, choral and stage performance groups
- Book launches

Annual Report of the Governing Body acting as trustee for the charity, Ashville College, for the year ended 31 August 2021 (continued)

Risk Management

Ashville College Trustee Limited, via its Board, is responsible for the management of the strategic and operational risks faced by the College. The full Governing Body review the risk register at the December board meeting, and this risk register informs the strategic and operational plans for the year ahead and the next 3 to 5 years.

The major risks identified by the Governors are:

- Continued impact of the Coronavirus – on health and the economy;
- Academic underperformance;
- Dependence on US pupils;
- Impact of Brexit;
- Change of taxation of independent schools;
- A Labour Government;
- Further increases to the Teachers' Pension Scheme Employer Contribution;
- Cyber-security and data-protection breaches;
- Building failure; and
- A failure of the College's safeguarding policies and procedures.

Having identified these as the major risks, the Governors and College management have put strategies in place to either eliminate these risks, or to minimise their potential impact. The measures put in place to mitigate the identified risks include:

- Comprehensive planning and budgeting process to ensure resources are appropriately allocated;
- Monthly review of financial statements by College management and Governors;
- Formal written policies, including thorough policies and procedures relating to safeguarding and data protection;
- On-going programme of professional development, including safeguarding and data protection training for all staff;
- Well defined and agreed targets and objectives for senior management and staff;
- Appointment of professional advisers as required;
- Appointment of an external data protection officer;
- Comprehensive insurance coverage;
- Formal disaster recovery policies and procedures (which are periodically tested);
- Frequent financial 'what-if' modelling considered by College management and Governors;
- Well-developed plans to increase the number of boarders and 6th Form pupils; and
- Process of continual self-review and strategy review by the College management and Governors.

Through the risk management processes established for the College, the Board is satisfied that the major risks identified have been adequately mitigated. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed. The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks for both the College and its subsidiaries.

Annual Report of the Governing Body acting as trustee for the charity, Ashville College, for the year ended 31 August 2021 (continued)

Reserves Policy

At the year end the College had unrestricted funds of £17.1m (2020: £17.1m). As the value of tangible fixed assets is £20.6m (2020: £20.5m) the College technically does not have any free reserves. The Governors aim to reduce this shortfall over time; but, having reviewed the College's funding position, the Governors do not believe the shortfall represents a significant risk and are confident that the College has adequate resources to maintain the day-to-day operation of the charity.

It is the Governors' policy to generate a modest surplus of income over expenditure each year to safeguard the future of the College and to fund working capital movements. The Governors aim to generate an "investment surplus" (defined as surplus on unrestricted funds before depreciation but excluding the profit or loss on the disposal of fixed assets) in excess of 10% of net fee income. This year the investment surplus was £854k (7.2%) and therefore the target was not met. The Governors are comfortable that the reason the target was not met was because of the support provided in year to families due to the Coronavirus lockdown through the 7.5% discount against fees during the Spring Term lockdown, and the donation of £100k to the Ashville Foundation in order to provide future support against hardship in the coming year. The Governors therefore believe that the use of the investment surplus in year to provide support to Ashville families fulfils the stated purpose to safeguard the future of the College.

The College aims to continue to provide facilities of an excellent standard to enhance the educational, boarding and sporting life of the pupils. The Governors aim to achieve this through a programme of on-going capital investment in existing and new facilities, which inevitably increases the value of tangible fixed assets at the expense of free reserves. This programme will be financed from the proceeds of fund raising activities, available unrestricted funds and further bank borrowing, should the Governors feel that debt servicing could be prudently covered by fee income and the surplus on trading activities. However, the desire for continued investment in the College will be balanced against the need to ensure that the College has adequate and appropriate free and liquid reserves at all times; to that end the College intends to build up an investment fund over the next 5 to 10 years.

During the year the College had a small number of unrestricted, designated funds:

- In August 2012 the College received a £10k donation to be used to support pupils applying to either Cambridge or Oxford University. At the year end the fund had a value of £9,269 (2020: £9,269).

The Charity had two restricted funds in the year:

- The College has a fund of £5k for three prizes to be awarded to pupils at the annual Speech Day.
- The Annual Fund was established for donations received from Old Ashvillians and in relation to the 140th Anniversary. Donations into this fund are likely to be spent in the year that they are donated or very soon thereafter.

Annual Report of the Governing Body acting as trustee for the charity, Ashville College, for the year ended 31 August 2021 (continued)

Going Concern

The charity's financial position and performance has been outlined in the financial review on the previous pages. The Governors have assessed projected future income, expenditure and cash flows over the period to December 2022, and analysed the strength of the charity's reserves and liquid assets and its ability to withstand a material fall in incoming resources. Consideration has been given to projected pupil numbers, pupil:teacher ratios and all known and projected costs in making this assessment.

In previous years, the principal uncertainty facing the College was pupil numbers. Though this remains the case, the Coronavirus pandemic has also brought additional external uncertainties to the College, namely the risk of additional Government restrictions, leading to either a further closure of the College, or limiting the College's ability to serve overseas boarders, and the economic downturn generated by the pandemic. Excluding the impacts of the Coronavirus pandemic there are also additional external factors that the College must consider, including the economic uncertainty created by Brexit; political uncertainty and the potential impact of a Labour government, which could lead to a reduction in current charitable reliefs; and any further future increase in the Teachers' Pension Scheme employer contributions.

However, the pupil numbers over the last year and into 2021/22 give the Governors reassurance that the College remains in a relatively strong position and will still be able to meet the covenants associated with the College's loans. Despite the challenges faced by the Coronavirus lockdown, the College achieved a surplus of 7.7% in 2020/21 and committed to a £100k donation to the Ashville Foundation, all whilst offering financial discounts to parents over the school closure period. Both the Governors and Management maintain a keen awareness of the risks and continually track, monitor and plan for known and anticipated risks facing Ashville and the wider Independent School sector. This, alongside very close management of the financials and coupled with the revenue generating potential of Ashville Trading in a post Coronavirus economy means the Governors remain confident that the College remains a Going Concern.

As at 31 August 2021 the College had net current liabilities of £1.8m (2020: £1.5m). This position is largely due to the receipt in the year of payments on accounts of fees for the academic year beginning 1 September 2021 which were £2.3m (2020: £1.7m). Overall, current liabilities increase by £814k, while cash also increased by £663k, leading to the increased in net current liabilities. Though current liabilities have increased cash is in a strong position at £2.3m (2020: £1.6m).

In the light of all available evidence, the Governors have concluded that there is a reasonable expectation that Ashville College and its subsidiaries have adequate resources to continue their activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Annual Report of the Governing Body acting as trustee for the charity, Ashville College, for the year ended 31 August 2021 (continued)

FUNDRAISING REVIEW

As a registered charity the Charity is required to report on its fundraising activities in the financial year.

In the year to 31 August 2021, Ashville did not undertake any direct fundraising and has not engaged any professional fundraisers to work on its behalf.

STATEMENT OF GOVERNING BODY'S RESPONSIBILITIES

The Governing Body, as the trustee of the Charity, is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 charity and the group and of the incoming resources and application of resources of the charity and the group for that period. In preparing these financial statements, the Governing Body is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governing Body is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, applicable accounting regulations and the provisions of the trust deed.

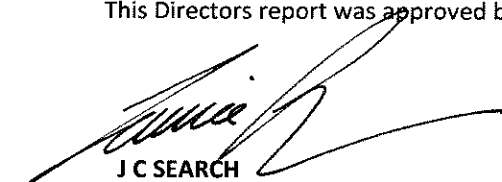
They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governing Body is responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

Saffery Champness LLP have expressed their willingness to remain in office as auditors of the Charity.

This Directors report was approved by the Governing Body on 04 December 2021 and signed on their behalf by:



J C SEARCH
Chair, Ashville College Trustee Limited

Independent auditor's report to the Governing Body (as trustee) of Ashville College

Opinion

We have audited the financial statements of Ashville College (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise consolidated statement of financial activity, the consolidated balance sheet, the consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 August 2021 and of the group's and the parent charity's incoming resources and application of resources 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 Charities Act 2011.

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 group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

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.

Independent auditor's report to the Governing Body (as trustee) of Ashville College (continued)

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 21, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charity by discussions with trustees and updating our understanding of the sector in which the group and parent charity operate.

Laws and regulations of direct significance in the context of the group and parent charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales. Further the charity is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charity's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Independent auditor's report to the Governing Body (as trustee) of Ashville College (continued)

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

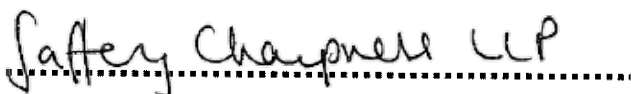
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the parent charity trustees 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 parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Saffery Champness LLP
Chartered Accountants
Mitre House
North Park Road
Harrogate
HG1 5RX

Statutory Auditors

Date: 14 December 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Ashville College Consolidated statement of financial activities
for the year ended 31 August 2021

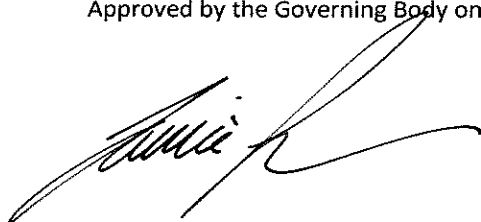
	Notes	Unrestricted funds	Restricted funds	2021	2020
		£	£	£	£
Incoming resources					
Income from charitable activities					
Fees receivable	2	12,716,246	-	12,716,246	12,652,213
Less: Scholarships and bursaries	2	(875,847)	(37,802)	(913,649)	(1,100,759)
Net fees receivable		11,840,399	(37,802)	11,802,597	11,551,454
Incoming resources from generated funds					
Trading income	4	313,756	-	313,756	379,875
Bank and other interest		441	-	441	3,947
Sundry income	3	123,889	-	123,889	456,213
Donations / Grants	5	520	37,802	38,322	64,292
Total incoming resources		12,279,005	-	12,279,005	12,455,781
Resources expended					
Costs of generating funds					
Trading expenditure	7	(200,371)	-	(200,371)	(366,789)
Amortisation of Intangible Assets	7	-	-	-	(1,556)
Depreciation	7	(649)	-	(649)	(1,142)
		(201,020)	-	(201,020)	(369,487)
Charitable activities					
Teaching costs		(6,837,004)	-	(6,837,004)	(6,783,369)
Welfare		(1,680,070)	-	(1,680,070)	(1,384,132)
Premises		(961,742)	-	(961,742)	(1,016,648)
Support costs		(1,581,071)	-	(1,581,071)	(1,596,547)
Depreciation		(780,587)	-	(780,587)	(797,207)
Finance and other costs		(52,157)	-	(52,157)	(172,263)
Governance costs		(11,517)	-	(11,517)	(13,473)
Grant	25	(100,000)	-	(100,000)	(200,000)
(Loss)/Profit on disposal of tangible a:		(3,958)	-	(3,958)	7,064
Total resources expended	6/7	(12,209,126)	-	(12,209,126)	(12,326,062)
Net incoming resources		69,879	-	69,879	129,719
Net movement in funds		69,879	-	69,879	129,719
Transfer between reserves		-	-	-	-
Balances as at 1 September 2020		17,071,253	30,318	17,101,570	16,971,851
Balances carried forward at 31 August 2021		17,141,132	30,318	17,171,449	17,101,570

The notes on pages 28 to 46 form part of these financial statements. The charity has no recognised gains or losses other than the net movement in funds for the year. All activities relate to continuing operations.

Ashville College Balance Sheets as at 31 August 2021

	Notes	Consolidated		College	
		2021	2020	2021	2020
		£	£	£	£
Fixed assets					
Intangible	9	-	-	-	-
Tangible	10	20,580,290	20,538,074	20,580,185	20,536,002
Investments	11	-	-	10,000	10,000
		<u>20,580,290</u>	<u>20,538,074</u>	<u>20,590,185</u>	<u>20,546,002</u>
Current assets					
Stocks		8,078	15,940	7,776	15,637
Debtors	12	267,860	295,510	412,357	420,010
Cash at bank and in hand		2,252,920	1,588,683	2,084,451	1,525,925
		<u>2,528,858</u>	<u>1,900,133</u>	<u>2,504,584</u>	<u>1,961,572</u>
Creditors amounts falling due within one year					
Payments received on account	15	(2,569,933)	(2,025,532)	(2,569,933)	(2,019,282)
Trade creditors		(163,606)	(161,074)	(159,282)	(159,514)
Other creditors	13	(1,368,441)	(984,624)	(1,347,370)	(964,369)
Bank loan	14	(252,482)	(245,495)	(252,482)	(245,495)
		<u>(4,354,462)</u>	<u>(3,416,724)</u>	<u>(4,329,067)</u>	<u>(3,388,659)</u>
Net current liabilities		<u>(1,825,604)</u>	<u>(1,516,591)</u>	<u>(1,824,483)</u>	<u>(1,427,087)</u>
Creditors amounts falling due after one year					
Advance fee payments	15	(6,868)	(84,302)	(6,868)	(84,302)
Other creditors		(311,612)	(325,023)	(311,611)	(325,023)
Bank loan	14	(1,264,759)	(1,510,589)	(1,264,759)	(1,510,589)
Total net assets		<u>17,171,449</u>	<u>17,101,569</u>	<u>17,182,464</u>	<u>17,199,002</u>
Funds					
Unrestricted funds <i>un-designated</i>	16/18	(17,131,862)	(17,061,983)	(17,142,877)	(17,159,415)
Unrestricted funds <i>designated</i>	17	(9,269)	(9,269)	(9,269)	(9,269)
Restricted funds	17	(30,318)	(30,318)	(30,318)	(30,318)
Total funds		<u>(17,171,449)</u>	<u>(17,101,569)</u>	<u>(17,182,464)</u>	<u>(17,199,002)</u>

Approved by the Governing Body on 4th December 2021 and signed on their behalf by:



J C Search

Director, Ashville College Trustee Limited

Ashville College Consolidated cash flow statement
for the year ended 31 August 2021

	<i>Note</i>	2021	2020
		£	£
Net cash inflow from operating activities	19	1,774,970	744,766
Return on investments and servicing of finance			
Interest received	441	3,947	
Interest payable	(57,758)	(66,847)	
		(57,317)	(62,900)
Capital expenditure and financial investment			
Purchase of tangible fixed assets	(827,410)	(548,122)	
Profit on disposal of tangible fixed assets	-	(6,852)	
		(827,410)	(554,975)
Financing			
Repayment of capital element of bank loan	(238,843)	(232,049)	
Repayment of finance leases	(125,678)	(185,756)	
Drawdown	-	-	
New finance leases	-	207,577	
Capital financing	138,517	(26,106)	
		(226,004)	(236,334)
Increase/(decrease) in cash during the period		664,238	(109,443)

Ashville College Notes for the year ended 31 August 2021

(forming part of the financial statements)

1 Accounting policies

The financial statements are prepared in accordance with the Charities Act 2011 and with the Charities Statement of Recommended Practice ("SORP (FRS102)") and Financial Reporting Standard 102.

Basis of accounting

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments at market value.

Preparation of financial statements – going concern basis

As in previous years, the principal uncertainty facing the College is pupil numbers. Though this remains the case, the Coronavirus pandemic has also brought additional external uncertainties, including the risk of additional Government restrictions, leading to either further closures, or limiting the College's ability to serve overseas boarders, and the general economic downturn generated by the pandemic. However, pupil numbers over the last year and into academic year 2021/22 gives the Governors reassurance that should the College experience a downturn in pupil numbers from the current position it would still be in a relatively strong position. Bank funding in the form an overdraft facility is available from December 2021.

As at 31 August 2021 the College had net current liabilities of £1.8m (2020: £1.5m). This position is largely due to the receipt in the year of payments in advance of fees for the academic year beginning 1 September 2021. The Governors therefore do not believe this represents a going concern risk.

The charity's financial position and performance has been outlined in the financial review above. The Governors have assessed projected future income, expenditure and cash flows over the period to December 2022, and analysed the strength of the charity's reserves and liquid assets and its ability to withstand a material fall in incoming resources. Consideration has been given to projected pupil numbers, pupil: teacher ratios and all known and projected costs in making this assessment.

The financial performance of the College is reviewed monthly, and the cash flow is reviewed termly, by the Finance and General Purpose Committee. This level of scrutiny and the prudence built into the forecasts minimises the risks relating to the cash flow forecasts.

In the light of all available evidence, the Governors have concluded that there is a reasonable expectation that Ashville College and its subsidiaries have adequate resources to continue their activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Fund accounting

Restricted funds represent grants, donations and legacies which are allocated by the donor for specific purposes.

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

General undesignated funds represent unrestricted income which is expendable at the discretion of the Governors in furtherance of the objects of the Charity.

Basis of consolidation

The accounts have been consolidated to include the College's trading subsidiary, Ashville Trading Ltd. Income and expenditure from the trading subsidiary are consolidated into the financial statements on a line by line basis. No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006. All financial statements are made up to 31 August 2021.

Incoming resources

All income is recognised in the statement of financial activities when the conditions for receipt have been met and there is reasonable assurance of receipt. Where a claim for repayment of income tax has or will be made, such income is grossed up for the tax recoverable. The following accounting policies are applied to income.

- Fee income represents fees for tuition and boarding provided to pupils during the year. Fees are accounted for on a receivable basis. Any fees received in advance are deferred.
- Investment income is accounted for when receivable. Tax recoverable relating to investment income is accounted for in the same period as the related income.
- Legacy income is included when the charity is advised by the personal representative of an estate that payment will be made, and the amount involved can be quantified.

Notes (continued)

1 Accounting policies (continued)

Expenditure

All costs are allocated directly according to their function within the charity as follows:

- Charitable costs are those incurred in the day-to-day running of the college;
- Costs of generating funds are incurred in the raising and management of funds from other sources, or funds segregated for specific, designated purposes; and
- Governance costs are those incurred in fulfilling the charity's statutory obligations.

Cash and liquid resources

Cash, for the purposes of the cash flow statement, comprises cash in hand and deposits payable on demand, less overdrafts payable on demand.

Stock

Stock is valued at the lower of cost less provision for obsolescence and net realisable value.

Intangible fixed assets and amortisation

Amortisation is provided to write off the cost less the estimated residual value of intangible fixed assets by equal instalments over the estimated useful economic life as follows:

Teaching resources	-	33% per annum
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Fixed assets and depreciation

Depreciation is provided to write off the cost or revalued amount less the estimated residual value of tangible fixed assets by instalments over the estimated useful economic life as follows:

Plant and fixtures	-	10 - 20% per annum
Vehicles	-	20% per annum
Computer equipment	-	10-20% per annum
Land	-	Nil
Buildings	-	2% per annum

Freehold land and buildings were revalued at open market value for existing use at 31 August 1993 and have not been updated since. The charity has frozen the valuation of these assets as the equivalent cost.

Investments

All investments are valued at market value at the balance sheet date, except the investment in the subsidiary company which is disclosed at cost. Any changes in value in the year are reported in the Statement of Financial Activities, and historical costs are disclosed separately by way of a note.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

Leases

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Notes (continued)

1 Accounting policies (continued)

Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to income are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

Pensions and other post-retirement benefits

The charity contributes to group personal pension schemes for non-teaching staff. The assets of the schemes are held separately from those of the college in independently administered funds. The amount charged in the yearly financial statements represents the contributions payable to the scheme in respect of the accounting period.

The college also contributes to the Teachers' Pension Agency superannuation scheme, a defined benefit scheme for its teaching staff. The assets of the scheme are held separately from those of the school. Contributions paid during the year are charged in the financial statements. The charity has applied the multi-employer exemption under FRS 17 to account for the scheme as a defined contribution scheme. The costs are charged directly to the statement of financial activities.

Taxation

As the College is a registered charity no provision is required for Corporation Taxation on the College's charitable activities. The College's subsidiary, Ashville Trading Ltd, is liable to corporation tax. Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

2 Fees receivable

	2021 £	2020 £
Tuition fees	11,021,002	11,166,949
Boarding fees	1,070,939	876,195
	<hr/>	<hr/>
	12,091,941	12,043,144
Music tuition	135,619	154,928
Day pupils meals	457,121	392,229
Learning support	6,635	39,711
Other fees and charges	24,930	22,199
	<hr/>	<hr/>
	12,716,246	12,652,213
Less: Scholarships and bursaries *	(913,649)	(1,100,759)
	<hr/>	<hr/>
	11,802,597	11,551,454

* £37,802 funded via restricted funds

Notes (continued)

3 Sundry income

	2021 £	2020 £
Rent receivable	4,800	4,800
Tuckshop trading profit	1,349	22,274
Other income	5,889	7,741
Government Grants	111,851	421,398
	<u>123,889</u>	<u>456,213</u>

4 Trading income

The college owns 100% of the issued share capital of Ashville Trading Limited (company registration number 0261749) which provides sports centre facilities, lettings during holiday periods and professional services through 'Ashville Education'. The trading results extracted from its audited financial statements were:

	2021 £	2020 £
Turnover	168,349	296,006
Cost of sales	(179,159)	(327,261)
Other Income	100,032	-
Gross profit	89,222	(31,255)
Administrative expenses	(46,172)	(69,718)
Government Grants	45,375	83,870
Operating profit	88,425	(17,103)
Loss on disposal of tangible asset	(1,319)	(211)
Interest payable & similar charges	(689)	(1,675)
Net profit before taxation	86,417	(18,989)
Taxation charge	-	-
Retained profit for the financial year	86,417	(18,989)
Capital and reserves at year end	(1,014)	(87,430)

The aggregate of the assets, liabilities and funds was:

	2021 £	2020 £
Assets	181,656	85,092
Liabilities	(182,670)	(172,522)
Funds	(1,014)	(87,430)

Notes (continued)

5 Donations

	Unrestricted	Restricted	Total 2021	Total 2020
	£	£	£	£
Donations				
Other	520	37,802	38,322	64,292
	<u>520</u>	<u>37,802</u>	<u>38,322</u>	<u>64,292</u>
	<u><u>520</u></u>	<u><u>37,802</u></u>	<u><u>38,322</u></u>	<u><u>64,292</u></u>

6 Expenditure

	2021 £	2020 £
Charitable expenditure includes:		
Indemnity insurance for Governors	3,495	
Operating lease expense in year	82,401	2,913
Governance costs includes:		
Auditor's remuneration		
Fees payable to the charity's auditor for the audit of the charity's financial statements	14,750	12,900
	<u><u>14,750</u></u>	<u><u>12,900</u></u>
Staff costs of the college		
Wages and salaries	6,634,114	6,472,559
Social security costs	623,943	606,318
Apprentice levy	18,113	18,323
Pension contribution	1,107,048	1,078,829
Healthcare	3,304	5,349
	<u><u>8,386,522</u></u>	<u><u>8,181,378</u></u>
Key Management Personnel:		
	2021 £	2020 £
Aggregate salaries of key management personnel (inc. pension contributions)	477,330	482,253

Notes (continued)

6 Expenditure (continued)

The number of employees whose emoluments exceeded £60k was:

	Number		Pension contributions	
	2021	2020	2021 £	2020 £
£60,000 - £70,000	2	-	20,769	-
£70,000 - £80,000	-	2	-	28,514
£80,000 - £90,000	1	2	20,828	23,616
£90,000 - £100,000	-	-	-	-
£100,000 - £110,000	-	-	-	-
£110,000 - £120,000	-	-	-	-
£120,000 - £130,000	-	-	-	-
£130,000 - £140,000	-	-	-	-
£140,000 - £150,000	-	1	-	28,428
	<u>2</u>	<u>5</u>	<u>41,597</u>	<u>51,948</u>

Pension contributions are paid into either the Teachers' Pension Scheme, which is a defined benefit scheme, or into a defined contribution occupational pension scheme.

Neither the Governors nor persons connected with them received any remuneration or other benefits from the College or any connected organisation, in the current or prior year, other than reimbursement of out of pocket expenses, which totalled £80 in the year (2020: £nil).

Included in wages and salaries above are redundancy payments of £129,464 (2020: £26,607).

The average number of employees during the year was:

	Headcount	
	2021	2020
Teaching	173	193
Welfare	33	34
Premises	13	14
Support	33	35
Trading	29	39
	<u>281</u>	<u>315</u>

Notes (continued)

7 Analysis of total resources expended

	Staff costs	Other	Depreciation and amortisation	Total	Total
	£	£	£	2021 £	2020 £
Costs of generating funds					
Trading expenditure	145,538	54,833	649	201,020	369,486
	145,538	54,833	649	201,020	369,487
Costs of activities in furtherance of the charity's objects					
Teaching costs	6,514,912	322,092	-	6,837,004	6,783,369
Welfare	589,762	1,090,308	-	1,680,070	1,384,131
Premises	379,628	582,114	-	961,742	1,016,647
Support costs	902,221	678,850	-	1,581,071	1,596,547
Depreciation	-	-	780,587	780,587	797,207
	8,386,523	2,673,364	780,587	11,840,474	11,577,903
Governance costs	-	11,517	-	11,517	13,473
Finance and other costs	-	52,157	-	52,157	172,263
Donation	-	100,000	-	100,000	200,000
	-	163,674	-	163,674	385,736
Total resources expended	8,532,061	2,891,871	781,236	12,205,168	12,333,126

Prior Year Comparative:

	Staff costs	Other	Depreciation and amortisation	Total	Total
	£	£	£	2020 £	2019 £
Costs of generating funds					
Trading expenditure	299,418	67,370	2,698	369,486	451,676
	299,418	67,370	2,698	369,487	451,676
Costs of activities in furtherance of the charity's objects					
Teaching costs	6,403,902	379,467	-	6,783,369	6,689,268
Welfare	548,269	835,862	-	1,384,131	1,860,873
Premises	373,730	642,917	-	1,016,647	1,026,493
Support costs	855,476	741,071	-	1,596,547	1,703,156
Depreciation	-	-	797,207	797,207	712,544
	8,181,377	2,599,318	797,207	11,577,903	11,992,335
Governance costs	-	13,473	-	13,473	8,909
Finance and other costs	-	172,263	-	172,263	140,527
Donation	-	200,000	-	200,000	-
	-	385,736	-	385,736	149,436
Total resources expended	8,480,796	3,052,424	799,905	12,333,126	12,593,447

Notes (continued)

8 Corporation Taxation

The corporation taxation charge and year-end liability relates to the non-charitable trading activities of the trading subsidiary, Ashville Trading Ltd.

	2021 £	2020 £
Current tax		
UK corporation tax	-	-
Adjustments in respect of prior years		
UK corporation tax	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

The rate of current tax for the year, based on UK standard rate of corporation tax for small companies is 19% (2020: 19%). The actual tax charge for the current year and the previous year differs from the standard rate for the reasons set out in the following reconciliation.

	2021 £	2020 £
Profit on ordinary activities chargeable to corporation tax	86,417	(18,989)
	<hr/>	<hr/>
Expected tax charge at 19% (2020: 19%)	16,419	(3,608)
Factors affecting the charge for the year:		
Depreciation in excess of Capital Allowances	328	201
Short term timing differences	-	130
Losses carried forward	(16,747)	(3,277)
	<hr/>	<hr/>
Corporation Tax payable	-	-
	<hr/>	<hr/>

9 Intangible Fixed Assets

All intangible fixed assets are held in the trading subsidiary:

	Teaching Resources £
Cost	
At beginning of the year	7,000
Additions	-
At end of the year	7,000
	<hr/>
Amortisation	
At beginning of the year	7,000
Charge for the year	-
At end of the year	7,000
	<hr/>
Net book value	
At 31 August 2021	-
	<hr/>
At 31 August 2020	-
	<hr/>

Notes (continued)

10 Tangible fixed assets

CONSOLIDATED	Asset under course of construction	Freehold land and buildings £	Computer Equipment £	Fixtures And Fittings £	Plant And Machinery £	Motor vehicles £	Total £
Cost or valuation							
At beginning of year	383,036	25,353,782	2,358,450	1,931,886	610,628	57,083	30,694,865
Additions	385,821	189,255	80,962	168,014	3,358	-	827,410
Disposals	-	-	(8,098)	-	-	-	(8,098)
Transfer to other category	-	-	-	-	-	-	-
At end of year	768,857	25,543,037	2,431,314	2,099,900	613,986	57,083	31,514,178
Depreciation							
At beginning of year	-	6,039,389	1,754,067	1,710,349	595,903	57,083	10,156,791
Charge for year	-	498,621	196,114	78,843	7,658	-	781,236
Disposals	-	-	(4,139)	-	-	-	(4,139)
Transfer to other category	-	-	-	-	-	-	-
At end of year	-	6,538,011	1,946,041	1,789,192	603,561	57,083	10,933,888
Net book value							
At 31 August 2021	768,857	19,005,026	485,273	310,708	10,425	-	20,580,290
At 31 August 2020	383,036	19,314,393	604,383	221,537	14,725	-	20,538,074

Assets under construction include Phase 1 and 2 of the dining hall project and laundry relocation - all set to complete Autumn 2021

All tangible fixed assets are used for direct charitable purposes with the exception of the assets within the trading subsidiary. These are analysed as follows:

Net book value at 31 August 2021

	Asset under course of construction £	Freehold land and buildings £	Computer Equipment £	Fixtures and fittings £	Plant And Machinery £	Motor vehicles £	Total £
Direct Charitable purposes							
College	786,857	19,005,026	485,168	310,708	10,425	-	20,580,185
Other							
Trading	-	-	106	-	-	-	106
	786,857	19,005,026	485,274	310,708	10,425	-	20,580,290

All freehold land is included within Ashville College. No depreciation has been provided on freehold land, which has been included at a valuation of £4,367,144 (2020: £4,367,144).

Notes (continued)

10 Tangible fixed Assets (continued)

COLLEGE	Asset under course of construction	Freehold land and buildings £	Computer Equipment £	Fixtures And Fittings £	Plant And Machinery £	Motor vehicles £	Total £
Cost or valuation							
At beginning of year	383,036	25,353,782	2,351,991	1,913,882	610,628	57,083	30,670,402
Additions	385,821	189,255	80,962	168,014	3,358	-	827,410
Disposals	-	-	(3,442)	-	-	-	(3,442)
Transfer to other category	-	-	-	-	-	-	-
At end of year	768,857	25,543,037	2,429,510	2,081,896	613,986	57,083	31,494,370
Depreciation							
At beginning of year	-	6,039,389	1,749,680	1,692,346	595,903	57,083	10,134,401
Charge for year	-	498,621	195,465	78,843	7,658	-	780,587
Disposals	-	-	(803)	-	-	-	(803)
Transfer to other category	-	-	-	-	-	-	-
At end of year	-	6,538,010	1,944,342	1,771,189	603,561	57,083	10,914,185
Net book value							
At 31 August 2021	768,857	19,005,026	485,168	310,707	10,425	-	20,580,185
At 31 August 2020	383,036	19,314,145	602,311	221,536	14,725	-	20,536,002

The historical cost of revalued freehold land and buildings within College is:

	2021 £	2020
Historical cost	2,077,929	2,077,929
Accumulated depreciation	(794,795)	(753,237)
Historical cost net book value	1,283,134	1,324,692

The net carrying amount of assets held under finance leases at year end is £165,900 (2020: £292,691)

11 Investments

	Consolidated Total £	College Total £
Market value at 1 September 2020	-	10,000
Market value at 31 August 2021	-	10,000
Analysed as Investment in subsidiary	-	10,000
Total	-	10,000

Notes (continued)

12 Debtors

	Consolidated		College	
	2021	2020	2021	2020
	£	£	£	£
Fee and trade debtors	29,168	26,258	21,019	19,933
Amounts owed by subsidiary undertaking	-	-	157,276	144,458
Taxation and Social Security	23,418	12,271	23,418	12,271
Other debtors	55,967	125,343	51,337	111,710
Prepayments	159,307	131,638	159,307	131,638
	<u>267,860</u>	<u>295,510</u>	<u>412,357</u>	<u>420,010</u>

13 Creditors: amounts falling due within one year

	Consolidated		College	
	2021	2020	2021	2020
	£	£	£	£
Other creditors due within 1 year comprise:				
Taxation and social security	163,006	153,805	150,447	146,027
Other creditors	474,819	448,345	471,021	440,931
Lease	132,679	131,566	132,679	131,566
Accruals	597,937	250,908	593,223	245,845
	<u>1,368,441</u>	<u>984,624</u>	<u>1,347,370</u>	<u>964,369</u>

14 Bank loans

In 2012/13 the Board approved a £1.2m loan facility with HSBC in order to part finance the refurbishment of the Soothill Hall. In 2014/15 in addition to the standard monthly payments, £400k of the principal was repaid, following the sale of one of the College's residential properties. The loan was initially for a term of ten years. On 9th October 2018 this loan was refinanced with Lloyds Bank and the HSBC loan was repaid in full. The HSBC loan was secured on two residential properties owned by the College; on 9th October HSBC released their charge over the properties and Lloyds were granted a new charge over the same two residential buildings. At the time of refinancing the loan balance was £320k.

In 2016/17 the Board approved a £2.0m loan facility with Lloyds Bank in order to finance part of the contract to refurbish the sports centre. The loan is repayable over 10 years from initial drawdown in March 2017. Interest on the loan is on a variable rate of 1.95% above the Lloyds Bank Base Rate until January 2019; at that point the loan converted to a fixed interest rate of 3.49% until the balance is fully repaid.

The following bank loan security is in place:

- An unlimited all monies guarantee from Ashville College Trustee Ltd.
- An all monies guarantee from Ashville Trading Ltd for a principal amount of £2m plus interest and other costs.

	2021	2020
	£	£
Repayable		
Within one year	252,482	245,495
Between one and two years	259,872	252,481
Between two and five years	826,465	802,658
In more than five years	178,422	455,450
	<u>1,517,241</u>	<u>1,756,084</u>

Notes (continued)

15 Payments received in advance

	Consolidated		College	
	2021	2020	2021	2020
	£	£	£	£
Advance fees				
After 5 years	-	-	-	-
Within 2 to 5 years	-	9,936	-	9,936
Within 1 to 2 years	6,868	74,366	6,868	74,366
	6,868	84,302	6,868	84,302
Within 1 year				
Advance fees	45,003	68,809	45,003	68,809
Payments on account	2,282,232	1,701,523	2,282,232	1,701,523
Deposits	242,698	255,200	242,698	248,950
	2,569,933	2,025,532	2,569,933	2,019,282
	2,576,801	2,109,834	2,576,801	2,103,584

Payments received in advance includes fee deposits, payments on account in respect of the following term's fees and advance fees where parents enter into a contract to pay to the school several years' fees in advance. The money relating to advance fees may be returned subject to specific conditions on the receipt of one term's notice. The above assumes these pupils will remain in the school.

The balance represents the accrued liability under the contracts. The movements during the year were:

	£
Balance at 1 September 2020	2,103,584
Fees in advance for 2021/22	2,327,235
Fees in advance for after 2021/22	6,868
Movement on deposits	(6,252)
Amounts utilised in payment of fees	(1,854,633)
Balance at 31 August 2021	2,576,801

16 Undesignated funds

Consolidated	Revaluation reserve	Retained surpluses account	Total
	£	£	£
Balance at 1 September 2020	5,462,527	11,599,458	17,061,985
Surplus from statement of financial activities	-	69,879	69,879
Transfer between funds	(102,567)	102,567	-
Balance at 31 August 2021	5,359,960	11,771,904	17,131,863

Notes (continued)

16 Undesignated funds (continued)

College	Revaluation reserve	Retained surpluses account	Total
	£	£	£
Balance at 1 September 2020	5,462,527	11,696,889	17,159,416
Surplus from statement of financial activities	-	(16,538)	(16,538)
Transferred from designated reserves	-	-	-
Transfer between funds	(102,567)	102,567	-
Balance at 31 August 2021	5,359,959	11,782,918	17,142,878

17 Other funds

Consolidated	Balance 31-Aug-20	Net incoming resources	Outgoing Resources	Transfer to/ from other reserve	Balance 31-Aug-21
	£	£	£	£	£
Restricted income funds					
Prize Fund	5,000	-	-	-	5,000
Annual Fund	25,318	-	-	-	25,318
Rev Morton Fund	-	-	-	-	-
Foundation	-	37,802	(37,802)	-	-
	<u>30,318</u>	<u>37,802</u>	<u>(37,802)</u>	<u>-</u>	<u>30,318</u>
Unrestricted income funds					
<i>Designated funds</i>					
Homerton fund	9,269	-	-	-	9,269
Designated funds	<u>9,269</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,269</u>
Undesignated funds	<u>17,061,984</u>	<u>69,879</u>	<u>-</u>	<u>-</u>	<u>17,131,863</u>
Total funds	<u>17,101,571</u>	<u>107,681</u>	<u>(37,802)</u>	<u>-</u>	<u>17,171,449</u>

Notes (continued)

17 Other funds (continued)

College	Balance 31-Aug-20	Net incoming resources	Outgoing Resources	Transfer to/ from other reserve	Balance 31-Aug-21
	£	£	£	£	£
Restricted income funds					
Prize Fund	5,000	-	-	-	5,000
Annual Fund	25,318	-	-	-	25,318
Rev Morton Fund	-	-	-	-	-
Foundation	-	37,802	(37,802)	-	-
	<u>30,318</u>	<u>37,802</u>	<u>(37,802)</u>	<u>-</u>	<u>30,318</u>
Unrestricted income funds					
<i>Designated funds</i>					
Homerton fund	9,269	-	-	-	9,269
Designated funds	<u>9,269</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,269</u>
Undesignated funds	<u>17,159,415</u>	<u>(16,538)</u>	<u>-</u>	<u>-</u>	<u>17,142,877</u>
Total funds	<u>17,199,002</u>	<u>21,264</u>	<u>(37,802)</u>	<u>-</u>	<u>17,182,464</u>

The purposes of these funds are:

- The Prize Fund includes donations to the College to fund speech-day prizes;
- The Annual Fund is made up of numerous small donations received during the year from the Friends of Ashville and from alumni. The Annual Fund will fund the purchase of various items for use across the College; and
- The Homerton fund comprises a donation to the charity which has been set aside for the specific purpose of encouraging pupils to apply to Oxford or Cambridge Universities.

Notes (continued)

18 Analysis of net assets between funds

Consolidated

	Unrestricted funds <i>un-designated</i>	Unrestricted funds <i>designated</i>	Restricted funds	Total funds
	£	£	£	£
Funds balances at 31 August 2021 are represented by				
Tangible fixed assets	20,580,290	-	-	20,580,290
Intangible fixed assets	-	-	-	-
Current assets	2,489,271	9,269	30,318	2,528,858
Liabilities	(5,937,699)	-	-	(5,937,699)
Total net assets	17,131,862	9,269	30,318	17,171,449

College

	Unrestricted funds <i>un-designated</i>	Unrestricted funds <i>designated</i>	Restricted funds	Total Funds
	£	£	£	£
Funds balances at 31 August 2021 are represented by				
Tangible fixed assets	20,580,185	-	-	20,580,185
Investments	10,000	-	-	10,000
Current assets	2,464,997	9,269	30,318	2,504,584
Liabilities	(5,912,305)	-	-	(5,912,305)
Total net assets	17,142,877	9,269	30,318	17,182,464

Prior Year Comparative:

Consolidated

	Unrestricted funds <i>un-designated</i>	Unrestricted funds <i>designated</i>	Restricted funds	Total funds
	£	£	£	£
Funds balances at 31 August 2020 are represented by				
Tangible fixed assets	20,538,074	-	-	20,538,074
Intangible fixed assets	-	-	-	-
Current assets	1,860,546	9,269	30,318	1,900,133
Liabilities	(5,336,638)	-	-	(5,336,638)
Total net assets	17,061,983	9,269	30,318	17,101,569

College

	Unrestricted funds <i>un-designated</i>	Unrestricted funds <i>designated</i>	Restricted funds	Total funds
	£	£	£	£
Funds balances at 31 August 2020 are represented by				
Tangible fixed assets	20,536,001	-	-	20,536,001
Investments	10,000	-	-	10,000
Current assets	1,921,986	9,269	30,318	1,961,572
Liabilities	(5,308,572)	-	-	(5,308,572)
Total net assets	17,159,414	9,269	30,318	17,199,002

Notes (continued)

19 Reconciliation of revenue surplus to net cash inflow from operating activities

	2021 £	2020 £
Net incoming resources for the year	69,879	129,719
Interest received	(441)	(3,947)
Interest paid	57,758	66,847
Amortisation of intangible fixed assets	-	1,556
Depreciation of tangible fixed assets	781,236	798,350
(Profit) / Loss on disposal of fixed assets	3,958	7,064
(Increase) / Decrease in stock	7,862	(3,954)
(Increase) / Decrease in debtors	27,650	40,816
Increase / (Decrease) in creditors	827,067	(291,685)
Net cash inflow from operating activities	1,774,969	744,766

20 Lease commitments

At the year end, the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases and finance leases which fall due as follows:

Operating Leases	2021 £	2020 £
Within one year	71,187	72,416
Between one and five years	97,218	184,261
After five years	-	-
	168,405	256,677
Finance Leases	2021 £	2020 £
Within one year	132,679	131,566
Between one and five years	33,219	160,011
After five years	-	-
	165,898	291,577

Notes (continued)

21 Financial Instruments

	2021 £	2020 £
Carrying amount of financial assets measured at amortised cost	29,168	26,258
Carrying amount of financial liabilities measured at amortised cost	2,278,783	2,168,066

22 Pensions

The College participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £993,946 (2020: £971,757) and at the year end £114,297 (2020: £112,738) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament. Under the definitions of FRS102 the TPS is a multi-employer pension scheme. The college has accounted for its contributions to the scheme as if it were a defined contribution pension scheme.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. Following an actuarial review in 2019, the amount employers pay towards the scheme has increased to 23.68% from September 2019. The timing of the implementation is to align its introduction with employers' budget planning cycles. This employer rate will be payable until the completion and outcome of the next actuarial valuation.

There are also indications that the protections in the new cost cap mechanism required by the Public Service Pensions Act 2013 mean public sector workers will get improved pension benefits for employment over the period April 2019 to March 2023.

The charity also contributes to a group personal pension scheme for support staff (including the staff of Ashville Trading Ltd); these costs are charged directly to the income and expenditure account. Support staff contribute to one of two money purchase pension schemes. The assets of these schemes are held separately from those of the College in independently administered funds. The pension charge for the year for these schemes amounted to £105,579 (2020: £104,196).

Notes (continued)

23 Consolidated statement of financial activities for the year ended 31 August 2020

	Notes	Unrestricted funds	Restricted funds	2020	2019
		£	£	£	£
Incoming resources					
Income from charitable activities					
Fees receivable	2	12,652,213	-	12,652,213	13,896,558
Less: Scholarships and bursaries	2	(1,043,387)	(57,372)	(1,100,759)	(1,193,705)
Net fees receivable		11,608,826	(57,372)	11,551,454	12,702,852
Incoming resources from generated funds					
Trading income	4	379,875	-	379,875	615,855
Bank and other interest		3,947	-	3,947	3,543
Sundry income	3	456,213	-	456,213	42,399
Donations / Grants	5	6,920	57,372	64,292	6,726
Total incoming resources		12,455,781	-	12,455,781	13,371,376
Resources expended					
Costs of generating funds					
Trading expenditure	7	(366,789)	-	(366,789)	(447,929)
Amortisation of Intangible Assets	7	(1,556)	-	(1,556)	(2,333)
Depreciation	7	(1,142)	-	(1,142)	(1,413)
		(369,487)	-	(369,487)	(451,676)
Charitable activities					
Teaching costs		(6,783,369)	-	(6,783,369)	(6,689,268)
Welfare		(1,384,132)	-	(1,384,132)	(1,860,873)
Premises		(1,016,648)	-	(1,016,648)	(1,026,493)
Support costs		(1,596,547)	-	(1,596,547)	(1,703,156)
Depreciation		(797,207)	-	(797,207)	(712,544)
Finance and other costs		(172,263)	-	(172,263)	(140,527)
Governance costs		(13,473)	-	(13,473)	(8,909)
Grant	25	(200,000)	-	(200,000)	-
Profit on disposal of tangible assets		7,064	-	7,064	(9,977)
Total resources expended	6/7	(12,326,062)	-	(12,326,062)	(12,603,424)
Net incoming resources		129,719	-	129,719	767,952
Net movement in funds		129,719	-	129,719	767,952
Transfer between reserves		-	-	-	-
Balances as at 1 September 2019		16,941,534	30,317	16,971,851	16,203,899
Balances carried forward at 31 August 2020		17,071,253	30,318	17,101,570	16,971,851

Notes (continued)

24 Related party transactions

In the year the Ashville Trading Ltd spent £12,818 with College. At the end of the year the College was owed £157,276 (2020: £144,458) from Ashville Trading Ltd

In the year the College spent £28,884 with William G Search (2020: £13,890), a company of which one of the Governors is a director. The balance outstanding at year end totalled £924.

Governors' expenses in the year totalled £80 (2020: £nil).

The College received £37,802 (2020: £53,558) from The Ashville Foundation; this was used to fund bursaries for current pupils.

The College donated £100,000 to the Ashville Foundation; this will be used to fund bursaries for current pupils in future years.

The balance with Ashville Foundation at the year end was £243,704, included in other creditors.

25 Registered Address

The registered address of the Charity and Ashville College Trustee Limited is Ashville College, Green Lane, Harrogate, North Yorkshire, HG2 9JP. Ashville College Trustee Limited is registered in England and Wales with the company number 4552232.