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# GATEWAYS

## SCHOOL

**Gateways Educational Trust Limited**

**A Company Limited by Guarantee**

**Strategic Report, Report of the Governors  
and Financial Statements**

**31st August 2022**

Company Registered Number: 00702484

## Contents

Report of the Governors	3
Strategic Report	8
Independent Auditor's Report to the Members of Gateways Educational Trust Limited	11
Statement of Financial Activities	15
Balance Sheet	16
Cash Flow Statement	17
Notes to the Financial Statements	18

## Report of the Governors: Reference and Administrative Information

### Governors and Charity Trustees

The Governors of the school are also the Charity Trustees and the Directors of the Company. The Governors are permanent members and they are not subject to retirement by rotation. The following governors served during the year:

Name	Role	Committee Membership	Notes	Meeting Attendance		
				18.11.21	17.03.22	16.06.22
Mr S Watson BA FCA	Chairman	Finance Committee		X	-	X
Mrs G A Brennan BA (Hons), PGCE	Safeguarding Governor			X	X	X
Prof. M G Brennan BA, MA, D.Phil		Academic Committee		X	X	X
Mrs M Calvert BA (Hons), MA				X	X	X
Mr C J Chambers ACA, Lib, Barrister	Chair of Finance	Finance Committee		X	X	X
Sir Roger Marsh OBE, DL, BSc, FCA, HonDUniv, CMgr, CCMI		Finance Committee		X	X	-
Dr J. Matharoo		Academic Committee		X	-	X
Mr R M Webster, BSc, MRICS		Academic Committee		X	X	X

## Officers

<b>The Head:</b>	Dr T Johnson BSc (Hons), PhD, PGCE
<b>Company Secretary:</b>	Mrs Kate Davison BA (Hons), ACCA
<b>Address:</b>	Gateways School Harewood Leeds LS17 9LE
<b>Website:</b>	<a href="http://www.gatewaysschool.co.uk">www.gatewaysschool.co.uk</a>

## Professional Advisers

<b>Banker:</b>	National Westminster Bank PLC 8 Park Row Leeds LS1 1QS
<b>Solicitor:</b>	Pinsent Masons 1 Park Row Leeds LS1 5AB
<b>Auditor:</b>	Saffery Champness LLP Mitre House Harrogate HG1 5RX

## **Report of the Governors**

Gateways School Governors, who are directors of the company for the purposes of company law, present their annual report and strategic report for the year ending 31 August 2022 together with the audited accounts for this year.

The accounts have been prepared to comply with the requirements of the Companies Act 2006, applicable accounting standards, the Trust Deed and the Charities SORP FRS 102.

Gateways Educational Trust Limited (the Charity) was founded in 1941 and is registered with the Charities Commission in England and Wales, number 529206. It is also a Company Limited by Guarantee, number 00702484. The Gateways School Governors, executive officers and principal address of the Charity are listed on pages one and two along with details of all principal advisers.

### **Structure, Governance and Management**

#### **Governing Document**

The Charity is governed by the provisions of the Memorandum and Articles of Association which were reviewed and updated in November 2005.

#### **Governing Body**

Governors are elected at a meeting of the Board of Governors having been recommended on the basis of eligibility, personal competence, specialist skills and availability.

Mr R Marsh was appointed to the Governing Board on 1 January 2022.

#### **Recruitment and Training of Governors**

The Charity has a Governors' Nominations Committee whose purpose is to facilitate the recruitment and training of Governors.

#### **Organisational Management**

The Governors meet at least three times a year to determine the general policy of the Charity and to review its overall management and control, for which they are legally responsible. The work of implementing most of the Board's policies is carried out by sub committees which meet prior to each meeting of the full Governing Board. The day to day management of the School is delegated to the Head and the Leadership Team.

#### **Organisational Structure and Relationship**

The School is an active member of the Independent School Council (ISC) for the promotion and protection of the independent education sector. It is also an active member of the Society of Heads, Independent Schools' Bursars Association and the Association of Governing Bodies of Independent Schools.

#### **Objectives for the year**

This year the Board's main objective continued to be to educate all the School's pupils to at least the high standard achieved by the School in previous years so that they will be able to benefit from the opportunities available to them on leaving Gateways.

In setting our objectives and planning its activities, the Governors have given careful consideration to the Charity Commission's guidance on Public Benefit, and in particular that which relates to advancing education and on fee-charging.

Specific objectives for the year included:

- providing outstanding education, enriching the lives of our pupils and preparing them for the challenges of a continuously changing global environment;
- maintaining the current high standards of academic achievement as measured by external public examinations and independent value-added criteria;
- carrying out a review of expenditure across all areas with the aim of improving efficiency and value for money and achieving the best possible allocation of resources;
- optimising the pupil/teacher ratio so as to give pupils the necessary time for developing both academic and wider skills;
- continuing to evaluate and incorporate relevant government strategies;
- balancing academic achievement with the social and cultural development of pupils through maintaining a broad and balanced curriculum;
- maintaining strong pastoral support throughout the school; and
- increasing access to the school by widening community access to both our facilities and education.

Strategies to achieve this year's objectives were to:

- continue to recruit and develop well qualified teaching staff, thus enhancing the high standards of academic achievement;
- promote social and cultural development through an extensive and efficiently managed extra-curricular programme;
- set aside funds for a programme of scholarships and bursaries which will continue to allow wider access to a Gateways education; and
- To make the school's facilities available for general use by the members of the community at evenings, weekends and during the school holidays.

## **Public Benefit**

### **Access Policy**

The school reaches out to the wider community in a variety of ways. It collaborates with a number of local charities and organisations to widen public access to our schooling. It also optimises the use of our cultural and sporting facilities and to cultivate in our pupils an awareness of the social context of the education they receive at the school.

The school believes that pupils benefit from learning within a diverse community and that this is maximised through social interaction, conversation and shared experiences. Pupils at Gateways are universally encouraged to join the Community Outreach programme and to work on fundraising projects for the benefit of their nominated charities. This year, amongst a number of beneficiaries, the charities PlastiC Children in Need, Red Nose Day and Ukrainian Emergencies Fund shared £2,200 from the fundraising efforts of our pupils.

Throughout the year the school's Performing Arts Centre and Sports Hall have been used by a number of community groups. Groups, holiday clubs and one-off events using the facilities offer opportunities in music, dancing, drama and variety of sports and netball on a weekly basis. Clubs are open to all children irrespective of the school they attend and offer a wide range of experiences.

The education of the pupils at the expense of the parents will have saved the Treasury an estimated £3.08 million per annum, assuming a cost of £6,700 to educate a pupil in the state system, according to information published by the Independent Schools Council.

## **Scholarships and Bursaries**

Our bursary and scholarship programme contributes to a widening of access to the education we offer and the facilities we enjoy.

### **Bursary Policy**

Applications are invited annually for the Bursary Fund from families who would otherwise not be able to afford the fees but whose children would benefit from the education offered by the school.

Awards range from 5% to 100% remission of fees, and are subject to means testing.

Any pupil who meets the general entry requirement is eligible to apply for financial support. A number of factors are considered, including income, savings and investments, out-goings, and family circumstances e.g. dependent relatives and number of siblings.

All bursaries are reviewed annually to ensure that beneficiaries continue to meet the means tested criteria.

We also support the families of existing pupils who experience temporary hardship where that hardship places the pupil's education and future prospects at risk which in normal times this includes illness or redundancy.

### **Scholarships**

Scholarships are awarded to pupils on the basis of merit. Candidates are invited to attend an interview with the Head followed by an assessment and/or examination as appropriate.

Awards of up to 25% of fee remission are available for excellence in:

- Music
- Performing Arts
- Sports

Awards of 5% to 25% of fee remission are available for academic excellence.

Exhibition Scholarships may be offered to candidates showing all round promise but who narrowly fail to achieve the standard set for the Academic Scholarship.

Foundation Scholarships may be awarded at the discretion of the Head.

Bursaries and scholarships totalling £560,439 were awarded to 121 pupils during the year (2021: £484,069 to 107 pupils).

### **Review of Achievements and Performance in the Year**

The School continued to provide an outstanding level of education with excellent academic results.

## **Reserves Policy**

Free reserves in accordance with FRS 102 is based on net current assets excluding equipment leases. At 31 August 2022 this amount has been calculated as £0 (2021: £0).

The Governors consider that available cash is the best indicator of their financial position and consequently available cash is monitored rather than the free reserves position as stipulated by FRS 102. For the year ending 31 August 2022, the minimum available cash was £899,175 (2021: £523,786).

The School has £13,785,768 of unrestricted reserves of which of which £10,519,857 represents a revaluation reserve and £3,265,911 represents retained surpluses. The revaluation reserve is not classified as free reserves as this can only be realised by the disposal of tangible fixed assets. The School's unrestricted funds are held to finance the freehold property.

The school aims to continue to provide high quality facilities to enhance educational, cultural and sporting life of pupils and also to become carbon neutral. The Governors seek to achieve this by implementing a programme of on-going capital investment in existing and new facilities. A significant step in this journey has been the purchase and refurbishment of the Old Vicarage to improve sixth form facilities. As can be seen, projects such as this increase 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. The Governors feel that debt servicing can be prudently covered by fee income and the surplus on trading activities. However, the desire for continued investment will be balanced against the need to ensure the school has adequate and appropriate free and liquid reserves at all times.

## **Investment Policy and Performance**

The Governors Investment Policy is to retain surplus funds on short-term deposits with the major clearing banks in order to fulfil the funding requirements of the School Development Plan.

## **Taxation Status**

Gateways Educational Trust is considered to pass the test set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part II Corporation Tax Act 2010 or section 256 of the Chargeable Gains Act 1992 to the extent that such income or gains are applied exclusively for charitable purposes.

## **Other Information**

An indication of likely future developments in the school and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 10.

The School is not registered with the Fundraising Regulator and is therefore not bound by its code of practice. During the year the School has not worked with any external professional fundraisers.

## **Statement of Trustees' Responsibilities**

The trustees, who are also directors of Gateways Educational Trust for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed or are 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 trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

## **Trustees' Strategic Report**

### **Principal Activity**

The School's principal activity is the provision of education for pupils aged from 2 to 18 years.

### **Aims and Objectives**

The objective of the School is to continue to provide a first class education which will enrich the lives of its pupils and prepare them for challenges of the modern global world.

### **Strategic Aim and Intended Effect**

The School's strategic aim to reach its annual objective is the attainment of the highest academic levels, whilst allowing pupils to benefit from all aspects of the curricular and extra-curricular programme. This aims to develop both academic and social skills and prepare them for adult life.

Through our Prep and High schools, we aim to provide a first-class education to pupils from the ages of 2 to 18 within an average class size model of 16 pupils in a class. We seek to provide a structured educational environment that develops our pupils' capabilities, competencies and skills. We promote academic, moral and physical development of our pupils through our academic curriculum, pastoral care, sporting and other activities. We provide an educational environment where each pupil can develop and fulfil his or her potential, building their self-confidence and inculcating a desire to contribute to the wider community. In so doing, we prepare our pupils for the opportunities, responsibilities and experience of later life.

### **Operational Performance of the School**

This year, once again, saw excellent performance in the public examinations.

At A level, 93% of candidates secured their first or second choice of University. 26% of all grades were awarded at A\* and our overall pass rate was 100%.

At GCSE, half of all Gateways pupils secured 8 or more GCSEs at grade 7 or above with almost two thirds of all entries being graded in the same range. This is against a national picture of just 26% of all grades being awarded in this range.

Once again this year, Gateways pupils have achieved recognition at all levels for their efforts in both sport and the arts.

Within the school we have continued to offer a diverse range of peripatetic music lessons and New Era Drama Academy training and examinations. Pupils continued to achieve very high levels of success in both of these areas.

The number of extra-curricular activities on offer continues to excite and challenge all who participate. The Duke of Edinburgh Award Scheme remains popular, with many pupils going on to reach Gold standard. After a restricted programme in 2021 due to the ongoing restriction due to the Covid-19 Pandemic we were able to offer number of local trips and we resumed a full programme of activities from the summer of 2022 onwards.

The Combined Cadet Force (CCF) continues to be our very strong and meaningful Independent School – State School partnership with Horsforth School under the Cadet Expansion Programme.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities for the year.

## **Financial Review and Results for the Year**

The School generated earnings before interest and depreciation of £518,568 (2021: £522,269).

The operating results show a surplus of £120,879 (2021: £145,735).

The number of pupils on the roll has increased during the year from 422 at the start of the year to 460 pupils at 31 August 2022.

Interest costs were higher than original budget due to a number of increases in the base rate.

The Trustees have taken account of the current economic environment in developing the budgets and forecasts for the coming years and are confident that the school is well placed to continue to offer its services for the foreseeable future and has the continued support of its funders.

## **Risk Management**

The Governors have examined the principal areas of the school's operations and have considered the major risk factors faced in each of those areas.

Key controls used by the charity to minimise risk include:

- Formal agendas for all committee and board activity;
- Detailed terms of reference for all committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear authorisation and approval levels; and
- Vetting procedures as required by law for the protection of vulnerable people.

The Trustees ensure internal financial control is maintained by having a system of regular management information reports, clear administrative and financial procedures and clear lines of accounting. No fundamental weaknesses in systems and controls have been identified in the year.

The Trustees consider that an internal audit function is not required based on the relative size of the School, the risks identified, and controls in place to mitigate these risks.

In the opinion of the Governors, the school has ensured that under normal conditions, risks are mitigated to an acceptable level in its day to day operations.

## Future Plans

Following the acquisition of The Old Vicarage in 2021, planning permission was received and the first phase of renovation was undertaken with the building opening to Sixth Form pupils in early September 2022. The Sixth Form Centre is now a very attractive base for our post 16 students. The completion of the second phase renovation taking place in the summer of 2023 will facilitate an increase in Sixth Form numbers in year commencing September 2023.

Due to increases in pupil numbers in recent years Prep School pupils' classes have had to be based outside of the designated building. Plans for a new Prep Building build next to the Sports Hall with a link to the existing building are at an advanced stage. This will allow all the Prep School pupils to be based in the same building as well as giving some expansion capacity for other age groups.

The school was not listed on the Everyone's Invited website and has not been subject to any adverse publicity associated with this. Sexual harassment and violence is taken seriously and all staff have received training on how to manage sexualised behaviour. It is understood that this type of behaviour will not be tolerated and any disclosure will be handled sensitively. Going forwards, work will continue to foster a safe and inclusive culture at Gateways as the school becomes fully coeducational. The Relationships and Sex Education curriculum will ensure our students have a thorough understanding in this area.

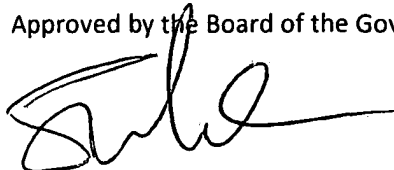
## Auditor

Saffery Champness LLP have expressed their willingness to continue in office.

## Strategic report

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, the company has prepared a Strategic Report, which includes information that would have previously been included in the Report of the Governors. The Trustees authorise both the Strategic Report and the Report of the Governors below.

Approved by the Board of the Governors at this meeting on 26<sup>th</sup> April 2023 and signed on its behalf by:



S Watson  
Chairman

## **Independent Auditor's Report to the Members of Gateways Educational Trust Limited: a Company Limited by Guarantee**

### **Opinion**

We have audited the financial statements of Gateways Educational Trust for the year ending 31 August 2022 which comprise Statement of Financial Activities, Balance Sheet, 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 charitable company's state of affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 6, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 charitable company'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 charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, 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 the amounts and disclosures in the financial statements, through significant fine, litigation or restrictions in 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.

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

*Saffery Champness LLP*

Sally Appleton  
Senior Statutory Auditor

For and on behalf of Saffery Champness LLP

Chartered Accountants	Saffery Champness LLP Mitre House Harrogate HG1 5RX
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Statutory Auditors

Date: 2 May 2023

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

## Statement of Financial Activities: Year Ending 31<sup>st</sup> August 2022

		2022	2021
	Notes	Unrestricted	
<b>Income from:</b>		£	£
<b><i>Charitable activities</i></b>			
Fees receivable		6,037,844	4,786,405
Less: Scholarships and bursaries and special discount		-659,889	-484,069
Net fees receivable		5,377,955	4,302,336
<b><i>Investments</i></b>			
Bank and other interest		569	118
<b><i>Other trading activities</i></b>			
Sundry income	3	97,044	95,542
<b><i>Voluntary sources</i></b>			
Donations / Grants	3	52,424	91,234
<b>Total income</b>		<b>5,527,992</b>	<b>4,489,230</b>
<b>Expenditure:</b>			
<b><i>Raising funds</i></b>			
Financing costs		-167,819	-80,028
Cost of other activities		-15,000	-18,000
	7	-182,819	-98,028
<b><i>Charitable activities</i></b>			
Education		-5,224,294	-4,245,467
<b>Total expenditure</b>	8	<b>-5,407,113</b>	<b>-4,343,495</b>
<b>Net income for the year</b>		<b>120,879</b>	<b>145,735</b>
<b>Net movement in funds</b>		<b>120,879</b>	<b>145,735</b>
Balances as at 1 September 2021		13,664,889	13,519,154
<b>Balances carried forward at 31 August 2022</b>		<b>13,785,768</b>	<b>13,664,889</b>

The notes on pages 18 to 31 form part of these financial statements.

## Balance Sheet as at 31<sup>st</sup> August 2022

	Note	2022 £	2021 £
<b>Fixed Assets</b>			
<b>Tangible Fixed Assets</b>			
School's Land, Buildings and Equipment	9	<u>16,963,208</u>	<u>16,438,339</u>
<b>Current assets</b>			
Debtors	10	217,507	226,084
Bank Current Account and Cash		1,840,425	1,465,138
		<u>2,057,932</u>	<u>1,691,222</u>
<b>Creditors: Due within one year</b>	11	<u>-2,545,556</u>	<u>-1,667,895</u>
<b>Net current (liabilities)/assets</b>		<u>-487,624</u>	<u>23,327</u>
<b>Total assets less current liabilities</b>		<b>16,475,584</b>	<b>16,461,666</b>
<b>Creditors: Due after more than one year</b>			
Loans and hire purchase	12	-2,507,338	-2,629,529
Other Creditors	12	-50,239	-24,000
Accruals and deferred income	12	-132,239	-143,248
		<u>-2,689,816</u>	<u>-2,796,777</u>
<b>Total net assets</b>		<u><b>13,785,768</b></u>	<u><b>13,664,889</b></u>
<b>Funds</b>			
Unrestricted funds	13	<u>13,785,768</u>	<u>13,664,889</u>
<b>Total funds</b>		<u><b>13,785,768</b></u>	<u><b>13,664,889</b></u>

Approved by the Board on 26<sup>th</sup> April 2023 and signed on its behalf by:



**Stuart Watson**

Chairman

Company Registered Number: 00702484

The notes on pages 18 to 31 form part of these financial statements.

## Cash Flow Statement for the Year Ending 31<sup>st</sup> August 2022

### Reconciliation of Incoming/(Outgoing) Resources to Net Cash Inflow from Operating Activities

	Note	2022 £	2021 £
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by (used in) operating activities</b>	19	<b>1,442,379</b>	<b>723,287</b>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		-40,571	-98,028
Purchase of property, plant and equipment		-808,390	-1,361,200
<b>Net cash provided by (used in) investing activities</b>		<b>-848,961</b>	<b>-1,459,228</b>
<b>Cash flows from financing activities:</b>			
Bank loan		-	2,628,000
Finance lease		-27,254	15,063
Repayments of borrowing		-190,877	-1,704,562
<b>Net cash provided by (used in) financing activities</b>		<b>-218,131</b>	<b>938,501</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>375,287</b>	<b>202,560</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>1,465,138</b>	<b>1,262,578</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>1,840,425</b>	<b>1,465,138</b>

The notes on pages 18 to 31 form part of these financial statements.

## Notes to the Financial Statements

### 1. Constitution

The Company is incorporated as a company limited by guarantee and not having a share capital. There were seven members at 31 August 2022 each of whom has undertaken to contribute, if required, a maximum sum of £5 in the event of the company being wound up.

### 2. Accounting Policies

#### a. Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS 102)), the Financial Reporting Standard 102 applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice as it applies for accounting periods beginning on or after 1 January 2015.

The particular accounting policies adopted by the Board are described below and have been applied consistently throughout the current and preceding year except as described below.

The financial statements are prepared on the historical cost basis except that freehold land and buildings are stated at their fair value and measured in accordance with the revaluation model.

#### b. Going Concern

The Governors have prepared these financial statements on the going concern basis as they do not intend to liquidate the charitable company or cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the approval of the financial statements.

**c. Tangible Fixed Assets**

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings. The school assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired. Land is not depreciated. The estimated useful lives are as follows:

Freehold buildings: 100 years straight line  
Temporary buildings: 30 years straight line  
Furniture, fittings and equipment: 5 to 20 years straight line  
Computer equipment: 3 to 5 years straight line

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last annual reporting date in the pattern by which the company expect to consume an asset's future economic benefits.

**d. Revaluation**

Land and buildings are stated at fair value less any subsequent accumulated depreciation and impairment losses. Gains on revaluation are recognised in the Statement of Financial Activity and accumulated in unrestricted reserves.

All fixed assets are held for charitable purposes.

**e. Impairment**

*Financial assets including trade and other debtors:* a financial asset not carried at fair value is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the estimated future cash flows discounted at the asset's original effective interest rate.

For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the reporting date. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the Statement of Financial Activity.

*Non-financial assets:* the carrying amounts of the school's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of asset that generates cash inflows from continuing use that are

largely independent of cash inflows of other assets or groups of assets; the cash-generating unit (CGU). An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in Statement of Financial Activity. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the unit (or group of units) on a pro rata basis. Impairment losses recognised for other assets are reversed only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

**f. Fees**

Fees receivable consist of charges less allowances for the school year ending 31 August 2022. Fees are invoiced on a term by term basis and recognised as income in the period to which they relate.

**g. Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources. The irrecoverable element of VAT is included with the item of expense to which it relates.

**h. Pension Schemes**

The school contributes to the Teachers' Superannuation Scheme at rates set by the Scheme Actuary and advised to the school by the Scheme Administrator. Premiums are charged to the Statement of Financial Activities in the accounting period for which they are payable.

**i. Finance and Operating Leases**

Costs in respect of operating leases are charged on a straight line basis over the lease term.

Leasing agreements which transfer to the company substantially all the benefits and risks of ownership of an asset are treated as if the assets had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the useful lives of the equivalent owned assets.

**j. Basic Financial Instruments**

*Trade and other debtors / creditors* are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction cost. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction (for example if payment is deferred beyond normal business terms) then it is measured at the present value of future payments discounted at a market rate for a similar debt instrument.

*Interest-bearing borrowings classified as basic financial instruments* are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial

recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

*Cash and cash equivalents* comprise cash balances and call deposits.

**k. Taxation**

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Full provision is made for deferred tax liabilities in line with Financial Reporting Standard 19 'Deferred taxation'.

Gateways Educational Trust is considered to pass the test set out in Paragraph 1 Schedule 6 Finance Act 2010, and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11 of the Corporation Tax Act 2010 or section 256 of the Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively for charitable purposes.

There have been no material changes in accounting policies since the last financial statements.

**l. Critical Accounting Judgments and Key Sources of Estimation Uncertainty**

In the application of the school's accounting policies, the trustees 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.

*Fee debtor provision:* a provision for impairment of fee debtors is established when there is objective evidence that the amounts due will not be collected in line with the usual fee collections due to financial difficulty of the debtors.

### 3. Donations and Grants

	2022	2021
	£	£
Donations	46,070	38,239
Grant	6,354	52,995
	<u>52,424</u>	<u>91,234</u>

### Other Incoming Resources

	2022	2021
	£	£
Registration fees	13,858	11,875
Property lettings	40,002	13,084
Sundry income	43,184	70,583
	<u>97,044</u>	<u>95,542</u>

### 4. Expenditure

	2022	2021
	£	£
Governance costs include:		
Auditor remuneration	15,000	13,000

### 5. Staff Costs

	2022	2021
	£	£
Wages and salaries	2,757,289	2,544,564
Social security costs	268,037	238,886
Pension contributions	388,623	374,388
	<u>3,413,949</u>	<u>3,157,838</u>

		2022	2021
		No.	No.
The average number of employees in the year was:			
Teaching	Full time	38	47
	Part time	53	25
Domestic		-	2
Administration		16	15
		<u>107</u>	<u>89</u>

Number of employees whose emoluments fell within each of the following bands:

	2022	2021
	No.	No.
£60,001 - £70,000	1	-
£70,001 - £80,000	-	-
£80,001 - £90,000	-	-
£90,001 - £100,000	1	1
£100,001 - £110,000	-	-
£110,001 - £120,000	-	-
£120,001 - £130,000	-	-
£130,001 - £140,000	-	-
£140,001 - £150,000	1	1

Employee pension rights are explained in note 19.

The key management personnel of the charity comprise the Head, Deputy Heads and Bursar. The total employee benefits of the key management personnel were £431,284 (2021: £358,679).

## 6. Trustees Expenses and Remuneration

No remuneration or expenses were paid to the trustees for their services as trustees during the period.

	2022	2021
	£	£
Trustee indemnity insurance premium	4,000	2,240

## 7. Finance and Other Costs

	2022	2021
	£	£
Loan interest	96,111	63,296
Other interest and charges	23,822	16,732
Bad debts	47,866	18,000
	<b>167,819</b>	<b>98,028</b>

## 8. Analysis of Total Expenditure

	Staff costs (Note 5) £	Other £	Depreciation (Note 9) £	Total 2022 £
<b>Charitable Expenditure:</b>				
Teaching costs	3,283,484	1,110,260	66,607	4,460,351
Premises	130,465	416,563	216,915	763,943
Governance costs	-	15,000	-	15,000
<b>Total Education costs</b>	<b>3,413,949</b>	<b>1,541,823</b>	<b>283,522</b>	<b>5,239,294</b>
<b>Other expenditure:</b>				
Finance costs	-	167,819	-	167,819
<b>Total expenditure</b>	<b>3,413,949</b>	<b>1,709,642</b>	<b>283,522</b>	<b>5,407,113</b>

	Staff costs (Note 5) £	Other £	Depreciation (Note 9) £	Total 2021 £
<b>Charitable Expenditure:</b>				
Teaching costs	3,069,506	382,503	54,824	3,506,833
Premises	88,332	408,382	223,682	720,396
Governance costs	-	18,238	-	18,238
<b>Total Education costs</b>	<b>3,157,838</b>	<b>809,123</b>	<b>278,506</b>	<b>4,245,467</b>
<b>Other expenditure:</b>				
Finance costs	-	98,028	-	98,028
<b>Total expenditure</b>	<b>3,157,838</b>	<b>907,151</b>	<b>278,506</b>	<b>4,343,495</b>

<b>Support Costs Include:</b>	<b>2022 £</b>	<b>2021 £</b>
Associate staff salaries	500,717	278,519
Catering costs	390,609	207,133
Marketing costs	39,480	42,216
	<b>930,806</b>	<b>527,868</b>

## 9. Fixed Asset

	Freehold Land and Buildings	Furniture, Fixtures and Fittings	Computer Equipment	Vehicles	Projects in Progress	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 September 2021	15,431,997	396,436	331,504	-	1,113,416	<b>17,273,353</b>
Additions	148,145	76,871	40,270	38,489	504,615	<b>808,390</b>
Disposals	-	-	-	-	-	-
<b>At 31 August 2022</b>	<b>15,580,142</b>	<b>473,307</b>	<b>371,774</b>	<b>38,489</b>	<b>1,618,031</b>	<b>18,081,743</b>
<b>Depreciation</b>						
At 31 August 2021	540,066	183,262	111,686	-	-	<b>835,014</b>
Charge for year	171,629	38,828	66,607	6,457	-	<b>283,521</b>
Disposals	-	-	-	-	-	-
<b>At 31 August 2022</b>	<b>711,695</b>	<b>222,090</b>	<b>178,293</b>	<b>6,457</b>	<b>-</b>	<b>1,118,535</b>
<b>Net Book Value</b>						
<b>At 31 August 2022</b>	<b>14,868,447</b>	<b>251,217</b>	<b>193,481</b>	<b>32,032</b>	<b>1,618,031</b>	<b>16,963,208</b>
At 31 August 2021	14,891,931	213,174	219,818	-	1,113,416	16,438,339

All assets held by the Company are considered by the Governors to be held for direct charitable purposes.

Freehold land and buildings are valued by independent valuers every five years. The directors review the valuation of the portfolio every year. The last valuation was carried out on 31 August 2018. The fair value was measured using depreciated replacement cost.

Freehold buildings are depreciated on a straight line basis over their estimated useful life of 100 years, or 30 years for temporary buildings. A further provision of 20% is made to cover functional obsolescence and 5% to cover economic obsolescence.

The freehold land and buildings are pledged as security for the bank loan.

The value in projects in progress relates to the acquisition and refurbishment of The Old Vicarage. This was opened as our new 6<sup>th</sup> Form centre in September 2022.

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

	2022 £	2021 £
Historical cost	6,894,548	6,746,403
Accumulated depreciation	<u>-2,550,386</u>	<u>-2,481,440</u>
Historical cost net book value	<u><b>4,344,162</b></u>	<u><b>4,264,963</b></u>

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge amounted to £34,772 (2021 - £34,632) for the year.

	2022	2021
	£	£
Fixtures and Fittings Cost	33,771	33,771
Accumulated depreciation	-33,771	-26,735
Net book value	<u>-</u>	<u>7,036</u>

	2022	2021
	£	£
IT Equipment Cost	106,396	106,396
Accumulated depreciation	-30,500	-9,221
Net book value	<u>75,896</u>	<u>97,175</u>

	2022	2021
	£	£
Vehicle Cost	38,489	-
Accumulated depreciation	-6,457	-
Net book value	<u>32,032</u>	<u>-</u>

## 10. Debtors

	2022	2021
	£	£
Fees	139,293	54,890
Prepayments and other debtors	78,214	171,194
	<u>217,507</u>	<u>226,084</u>

## 11. Creditors Due Within One Year

	2022	2021
	£	£
Bank loan	66,921	92,142
Trade creditors	173,758	12,494
Taxes and social security	59,685	61,414
Other creditors	58,428	82,808
Fees in Advance	1,905,084	1,265,261
Finance lease	37,346	37,278
Accruals and deferred income	244,334	116,498
	<u>2,545,556</u>	<u>1,667,895</u>

## 12. Creditors Due After More Than One Year

	2022	2021
	£	£
Accruals and deferred income: final term deposits	132,239	143,248
Other Creditors	50,239	24,000
Bank loan	2,450,202	2,535,858
Finance lease	57,136	93,671
	<u>2,689,816</u>	<u>2,796,777</u>

### Bank Loans

	2022	2021
	£	£
The bank loan is repayable in instalments as follows:		
Due within one year	66,921	92,142
Due within two to five years	334,322	402,528
Due after five years	2,115,880	2,133,330
	<u>2,517,123</u>	<u>2,628,000</u>

The bank loan is secured by fixed and floating charges over the assets of the charity. The two previous loans have been repaid and consolidated into a single larger loan. The increase in the loan value was to purchase The Old Vicarage.

For the year ended 31 August 2022 bank loans attracted an interest rate of 3.40% above base rate (2021: 3.40%). The final repayment date for the loan is 12<sup>th</sup> August 2041.

Finance Leases	2022	2021
	£	£
Finance leases are repayable in instalments as follows:		
Within one year	37,346	37,278
Between one and five years	57,136	93,671
After five years	-	-
	<u>94,482</u>	<u>130,949</u>

### Deferred income

Elements of income deferred for the company are as follows:

	2022	2021
	£	£
Fees in advance current (note 11)	1,905,084	1,265,261
Fees in advance non-current	-	-
Final term deposits	132,239	143,248
	<u>2,037,323</u>	<u>1,408,509</u>

Fees in advance relate to amounts received in respect of future terms. Final term deposits are paid by the fee payer when the pupil joins the school and repaid when the pupil leaves the school.

	Fees in Advance £	Final Term Deposits £	Total £
Balance brought forward as at 1 September 2021	1,265,261	143,248	1,408,509
Amounts released/repaid in the period	-1,265,261	-58,444	-1,323,705
Amounts received in the period	1,905,084	47,435	1,952,519
Balance carried forward as at 31 August 2022	<u>1,905,084</u>	<u>132,239</u>	<u>2,037,323</u>

### 13. Funds

#### Unrestricted Funds

The School's unrestricted funds are held to finance the freehold property and other assets, to fund the development of the School and to cover normal fluctuations in working capital.

	Revaluation reserve £	Retained surpluses account £	2022 £	2021 £
At the beginning of the year	10,631,958	3,032,931	13,664,889	13,519,154
Surplus (deficit) for the year	-	120,879	120,879	145,735
Revaluation reserve transfer	-112,101	112,101	-	-
At the end of the year	<u>10,519,857</u>	<u>3,265,911</u>	<u>13,785,768</u>	<u>13,664,889</u>

The transfer from the revaluation reserve in the year is to counter the increased depreciation now charged each year on the revalued property value.

## 14. Lease Commitments

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

	2022	2021
	£	£
<b>Operating Leases</b>		
Within one year	35,412	35,412
Between one and five years	19,171	54,583
After five years	-	-
	<u>54,583</u>	<u>89,995</u>

## 15. Related Party Transactions

There have been the following related party transactions during the year :

Ethan Johnson (Headteachers son): supply of IT repairs services                      £68.74 (2021: £342)

There are no balances owed to related parties at the year end.

## 16. Financial Instruments

	2022	2021
	£	£
Carrying amount of financial assets measured at amortised cost	<u>139,293</u>	<u>54,890</u>
Carrying amount of financial liabilities measured at amortised cost	<u>2,843,792</u>	<u>2,854,251</u>

## 17. Pension Costs

The School 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 £375,595 (2021: £356,286) and at the year-end £41,910 (2021: £44,654) 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 school 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. Employers during the period until August 2019 were required

to pay a scheme administration levy of 0.08% on top of the contribution rate, giving a total employer contribution of 16.48%. Following an actuarial review in 2019, the amount employers are required to pay towards the scheme 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 School operate a defined contribution scheme for its non-teaching staff. The total pension charge for the year amounted to £13,027 (2021: £18,101).

## 18. Analysis of Changes in Net Debt

	Cash in hand at bank	Bank loan	Finance leases	Total
	£	£	£	£
Balance at 1 September 2021	1,465,138	-2,628,000	-130,949	-1,293,811
Cash flows	375,287	110,877	36,467	522,631
<b>Balance at 31 August 2022</b>	<b>1,840,425</b>	<b>-2,517,123</b>	<b>-94,482</b>	<b>-771,180</b>

	Cash in hand at bank	Bank loan	Finance leases	Total
	£	£	£	£
Balance at 1 September 2020	1,262,578	-1,655,410	-29,473	-422,305
Cash flows	202,560	-972,590	-101,476	-871,506
<b>Balance at 31 August 2021</b>	<b>1,465,138</b>	<b>-2,628,000</b>	<b>-130,949</b>	<b>-1,293,811</b>

## 19. Reconciliation of Net Income/(Expenditure) for the Reporting Period

	Note	2022 £	2021 £
<b>Net income/(expenditure) for the reporting period (per SOFA)</b>		<b>120,879</b>	<b>145,735</b>
<b>Adjustments for:</b>			
Depreciation charges	9	283,521	278,506
Dividends, interest and rents from investment		40,571	98,028
Decrease / (Increase) in debtors		8,576	-10,435
Increase/(decrease) in creditors		988,832	211,453
<b>Net cash provided by (used in) operating activities</b>		<b>1,442,379</b>	<b>723,287</b>

## 20. Comparative Statement of Financial Activities

		2021	2020
		£	£
<b>Incoming resources</b>	<i>Note</i>		
<b><i>Income from charitable activities</i></b>			
Fees receivable	2	4,786,405	4,483,270
Less: Scholarships and bursaries	2	-484,069	-566,574
Net fees receivable		4,302,336	3,916,696
<b><i>Incoming resources from generated funds</i></b>			
Bank and other interest		118	2,072
Sundry income	3	95,542	62,304
Donations / Grants	3	91,234	170,846
<b>Total incoming resources</b>		<b>3,556,769</b>	<b>4,151,918</b>
<b>Resources expended</b>			
<b><i>Costs of generating funds</i></b>			
Finance and other costs	7	-98,028	-164,852
		<b>-98,028</b>	<b>-164,852</b>
<b><i>Charitable activities</i></b>			
Teaching costs		-3,506,833	-3,138,530
Premises		-720,396	-717,998
Governance costs		-18,238	-12,000
<b>Total resources expended</b>	6/7	<b>-4,343,495</b>	<b>-4,033,380</b>
<b>Net incoming resources</b>		<b>145,735</b>	<b>118,538</b>
<b>Net movement in funds</b>		<b>145,735</b>	<b>118,538</b>
Transfer between reserves		-	-
Revaluation of tangible fixed assets		-	-
Balances as at 1 September 2020		13,519,154	13,400,616
<b>Balances carried forward at 31 August 2021</b>		<b>13,664,889</b>	<b>13,519,154</b>