

**COMPANY REGISTRATION NUMBER: 00901169**

**CHARITY REGISTRATION NUMBER: 527179**

**S. Anselm's School Trust Limited**

**Company Limited by Guarantee**

**Financial Statements**

**31 August 2018**

# **S. Anselm's School Trust Limited**

## **Company Limited by Guarantee**

### **Financial Statements**

**Year ended 31 August 2018**

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# **S. Anselm's School Trust Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report)**

#### **Year ended 31 August 2018**

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 August 2018 .

#### **Reference and administrative details**

**Registered charity name** S. Anselm's School Trust Limited

**Charity registration number** 527179

**Company registration number** 00901169

**Principal office and registered office** S Anselm's Preparatory School  
Stanedge Road  
Bakewell  
Derbyshire  
DE45 1DP

#### **The trustees**

K E B Mayson

R P Burton	(Appointed 9 July 2018)
S Cobb	(Appointed 9 July 2018)
J A Hill	(Appointed 9 July 2018)
R J Trueman	(Appointed 9 July 2018)
S R Bowker	(Appointed 18 September 2018)
R E Howard	(Resigned 18 September 2018)
R J Tarbatt	(Resigned 9 July 2018)
F J Barton	(Resigned 9 July 2018)
C S Bostock	(Resigned 9 July 2018)
J G W Walker	(Resigned 3 February 2019)

M Twelves

**Acting headteacher**

L Donnelly

**Auditor**

MCABA Limited t/a Mitchells

Chartered Accountants & statutory auditor

91-97 Saltergate

Chesterfield

Derbyshire

S40 1LA

## **Structure, governance and management**

### **Overview**

S. Anselm's Preparatory School operates through the medium of a limited company, namely S. Anselm's School Trust Limited ("the School"). The School operates according to rules laid down in its constitution, that being the Memorandum & Articles of Association signed on incorporation on 4 March 1967 and revised on 13 August 2018.

S. Anselm's School Trust Limited is a registered charity and has "Trustees" rather than "Directors". The Governors of the School are drawn from the ranks of the Trustees. They are generally (as at present) the same group of persons and the terms "Trustee" and "Governor" are interchangeable for these purposes. None has any beneficial interest in the Company. Three Trustees and the husband of a fourth have advanced non-interest bearing loans to the School. The loans are secured against the Assets of the Trust.

The Trustees have overall responsibility for the management and control of the School and meet formally at least three times a year. Additional meetings take place as and when required. The Trustees seek to ensure a balance of skills, experience and qualifications are maintained on the Governing Body, appropriate to the status, circumstances and needs of the School. New Governors are given a thorough induction on appointment and provided with all the necessary documentation on the Charity and how to fulfil their duties. They are invited to attend training courses as necessary.

Day to day running of the School is delegated to the Headteacher and the Senior Management Team which comprises the Deputy Head, the Head of College, the Director of Studies, the Head of Pastoral, the Head of Pre-Prep and the Director of Admissions and Marketing. The day to day administration of the School is undertaken within the policies and procedures approved by the Governors which include a Delegation of Authority Matrix for the purposes of authorising expenditure. The Head oversees the recruitment of all staff.

### **Principal risks and management**

#### **Risk Register**

The Trustees maintain a comprehensive risk register for the School which is updated and reviewed at least once per annum. Detailed consideration and management of the risks the school faces is delegated to the senior management team of the School.

## **Economic Factors**

The Trustees are aware of a significant number sectoral and wider economic factors that are placing considerable pressure on both the demand for independent education as well as the cost of providing it. Chief amongst these sectoral and economic factors are:

**Fees** - the Trustees are acutely aware that the rate of increase of fees has outpaced the rate of increase in net incomes. Whilst some costs are out of the control of the Governors, every effort is being made to control any increase in fees to as low a level of increase as possible.

**Pension Costs** - All the teaching staff employed at S. Anselm's are members of the Teachers' Pension Scheme ("TPS"). Recent increases in Employers' Pension Contributions have put significant strain on the finances of all Independent Schools. The Governors keep developments with regards to the TPS under regular review.

## **Data Protection**

The Trustees are fully aware of the need to comply with Data Protection Act and GDPR. A review of the School's processes and procedures in regards to GDPR has recently been undertaken and the School will be migrating many of its data management systems to a new platform in 2019.

## **Safeguarding**

S. Anselm's takes a child centric approach to safeguarding and works closely with all other partner agencies to ensure its pupils are safe. S. Anselm's School is committed to safeguarding and promoting the welfare of children and young people and expects all Staff, Governors and Volunteers to share this commitment.

S. Anselm's made two referrals to Derbyshire Social Care during the period 2017 - 2018 both of which met the threshold for intervention. There were 5 other notifications from other agencies which we needed to be made aware of, all of which followed correct procedure.

## **Governors insurance**

The School holds Governors' Liability Insurance.

## **Objectives and activities**

### **Our aims**

S. Anselm's Preparatory School ("The School") is a registered charity. The School provides not-for-profit educational services for children aged 3-16 years at Nursery, Pre-Prep, Preparatory and College levels, with a strong boarding ethos.

The School, which is academically non-selective, welcomes pupils from all backgrounds and an individual's economic status, gender, ethnicity, race, religion or disability do not form any part of the admission process.

Notwithstanding the non-selective policy of admission, the School is proud of the high academic standards achieved which are consistently excellent.

### **Our Objectives**

The School's objects require the School to operate for purposes which are both charitable and educational. In furtherance of those purposes, the School aims to provide a full range of education to cover academic subjects, activities, sporting activities, music and the arts. Outside of the classroom, great emphasis is put on good manners, self-discipline and consideration of others to ensure the children are well prepared for their future.

In setting annual objectives, plans and budgets, the Trustees also give consideration to the Charity Commission's general guidance on public benefit as well as ensuring any such objectives, plans and budgets reflect the Aims and Ethos of the School.

## **Strategic report**

The following sections for achievements and performance and financial review form the strategic report of the charity.

### **Achievements and performance**

#### ***ISI Inspection***

Shortly after the end of the Year, in December 2018, the ISI carried out a Focused Compliance and Educational Quality Inspection Report (for schools with residential provision). The ISI found that the School meets the standards in the schedule to the Education (Independent School Standards) Regulations 2014, the National Minimum Standards for Boarding Schools 2015, and relevant requirements of the statutory framework for the Early Years Foundation Stage, and associated requirements, and no further action is required as a result of the inspection.

With respect to Educational Quality, the ISI found that the quality of the pupils' academic and other achievements is good noting that pupils of all ages have excellent attitudes to learning and take great pride in their work. With respect to personal development, the ISI found that the quality of pupils' personal development is excellent noting that pupils of all ages display exemplary behaviour in all areas of the school. We were especially pleased that the ISI also noted that pupils respect diversity, show zero tolerance of any form of discrimination and appreciate their own and other cultures.

#### ***Academic***

Although non selective, S. Anselm's is very proud of the outstanding academic results its pupils continue to deliver. We once again achieved a 100% rate for Common Entrance for our Y8 cohort. Future School destinations included Oundle, Uppingham, Malvern, and Shrewsbury. During the year, further students were offered confirmed places (subject only to Common Entrance) at Eton, Winchester and Harrow.

Some of our students prefer to remain in the local area and attend S. Anselm's College to study for their GCSEs. We were delighted that our very first cohort of GCSE students took their exams in the summer of 2018 with 65% achieving GCSE grades of grade 5 or higher and with a 100% pass rate in Maths, Science and English Literature.

The School has embedded project-based learning into the Prep School (up to Year 5) and this enables activities out of the classroom to be fully integrated into the wider curriculum. A real highlight of the year for many of the pupils was the launching of a Bakewell Pudding on a high-altitude weather balloon. The Pudding was briefly 'Lost in Space' and the dramatic photos from the edge of the atmosphere attracted the attention of the BBC. The story was popular on Twitter as well with astronaut Tim Peake joining in the fun along with Stephen Fry and Chris Evans.

#### **Co-Curricular Activities**

##### ***Music***

Music is at the very heart of education at S. Anselm's. Opportunities to perform are plentiful with over 90% of pupils undertaking music lessons weekly. During the year the pupils had opportunities to perform in a wide variety of informal concerts, sit ABRSM exams across the whole spectrum of grades and participate in a number of more formal activities such as the annual Piano Competition (which is

open to pupils from all schools in the area) and the prestigious Chapel Choir overseas tour.

Trips for pupils to see professional musicians perform are always undertaken and during the year, visits to Sheffield City Hall to watch the City of Birmingham Symphony Orchestra and to the Bridgewater Hall Manchester to see the Halle Orchestra were particular highlights.

#### *Art*

Art thrives at S.Anselm's and every opportunity is taken to integrate artistic ideas and concepts with project-based work across the curriculum. During the year, Years 4 & 5 participated in the National Gallery's 'Take One Picture' project culminating in a major exhibition at Cromford Mill, Matlock. Three of the compositions were subsequently chosen by the National Gallery in London with pupils invited to see their work displayed in the famous building.

As part of the thriving 'extras' provided at S. Anselm's, art and craft activities are especially popular, especially pottery with S. Anselm's own kiln in almost constant use during the year producing our pupils' latest creations.

#### *Drama*

S. Anselm's is lucky to have a 200 seater theatre fully equipped with stage sound and lighting and it is in regular use with the pupils putting on productions of a really superb standard. During the year, packed houses witnessed the staging of PrePrep's annual Nativity Play and the Senior School's superb production of Oliver!

Visits to see professional drama products are also part of the curriculum and during the year, pupils saw Shakespeare performed, watched a live stream of the New York Metropolitan Opera performing Tosca and, at the other end of the scale perhaps, the whole school had great fun watching Mother Goose in the Panto at Sheffield Lyceum.

#### *Sport*

At S. Anselm's all pupils are given the opportunity to represent the school in a range of fixtures and events, some of which are within the School (such as the popular Braillich Hill run which every Pupil from Years 3 to 8 competed in again during the year) through to competitive fixtures with other schools located within the Midlands and South Yorkshire region and sometimes from further afield. This includes Schools from both the state and independent sectors.

The Pupils also have many opportunities to watch professional sport played at the highest level, something that provides a source of great inspiration in their own sporting endeavours. During the year in review, trips including seeing the England Netball Team in action as well as visiting Twickenham for the Autumn Internationals.

#### *Assisted Places*

The School has a proud tradition of offering Assisted Places to families who would ordinarily prioritise their childrens' education over other discretionary expenditure but are unable to do so for a variety of reasons, almost always because of financial circumstances.

The Trustees have recently completed a comprehensive review of the policy towards Assisted Places to ensure that the availability and award of Assisted Places is carried out in accordance with the three guiding principles of Transparency, Equality and Consistency.



### *Public Benefit*

S. Anselm's seeks to play a fully engaged role in both the local community as well as with other schools in the area / wider region in the State sector. During the course of the year in review we organised and undertook a number of events and initiatives including:

- Our annual Piano Competition inviting all 340 Derbyshire Schools and peripatetic teachers. This was advertised through the State Funded Derbyshire Music Partnership Hub and we are delighted that 30 local pupils came to this event.
- Come and Sing Handel's Messiah which was advertised in the local papers. We provided an orchestra, tuition, soloists and refreshments in the local parish church.
- Carol singing in Bakewell Town Centre collecting donations for the Bluebell Wood Charity
- Supporting local charities such as the Derbyshire Wildlife Trust through our 'House' fundraising events.; and
- Inviting local primary schools to attend sporting fixtures and tournaments, offering transport and refreshments where needed.

In addition, we organised a STEM day for local primary schools and 4 such schools were planning to bring approximately 60 children. In the end, we were snowed off - one of the occupational hazards of life in the Peak District National Park - but we will organise this event again in the future.

Finally, our College students undertaking voluntary activities as part of their Bronze and Silver Duke of Edinburgh Scheme programmes including helping out at local Brownies groups, churches and litter picking.

### **Financial review**

#### **Summary**

In line with the large majority of smaller, independent Preparatory Schools, the year under review was a challenging one for the School as we had to deal with the strains that economic headwinds were placing on families' disposable income as well as rising cost pressure in the sector. Expenditure exceeded income by £505,058. To secure the immediate future of the school, loan funds were provided by three of the Trustees. These loans are non-interest bearing and secured by way of a charge on Assets (see Note 25). Cost savings have been identified and a programme to implement these is well underway. The School has invested in a Director of Marketing since the year end and a renewed approach to outreach and marketing is already bearing fruit. Furthermore, since the year end, the School has also received a substantial gift/donation in the sum of £250,000.

#### **Reserves Policy**

The Trustees have considered the School's reserves requirement in line with the Charity Commission guidelines. The School has substantial capital reserves in the form of Property Fixed Assets. The Trustees are committed to a plan of improving the liquidity of the School such that minimum of 4 months of overheads is held in the form of cash reserves.

### **Plans for future periods**

The School has appointed, for the first time in its recent history, a Director of Admissions & Marketing. The School has also invested in appropriate resources to support this new role in delivering a dynamic approach to marketing and outreach. As well as being focused on growing Pupil numbers, it will also include working more closely with the community in Bakewell and further afield to strengthen the connections between the School and the Community.

The priority for the coming years is to grow the School whilst ensuring it:

- Has robust processes, procedures and controls embedded in all aspects of its administration and operation;
- establishes a strong financial base on which to be able to plan for the longer term;
- maintains its focus on delivering excellence in terms of academic performance and pastoral care (whilst remaining non selective); and
- continues to deliver a progressive approach to Assisted Places and embedding diversity

and does all this whilst putting the needs of the child first and foremost in a safe, happy and enriching environment.

### **Financial instruments**

The company only has financial assets financial liabilities of a kind that would qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortized cost using the effective interest method.

### **Events after the end of the reporting period**

In February 2019, the Governors announced that the Headmaster would be leaving the school with immediate effect. One of the Deputy Heads was appointed Acting Head and the School is now undertaken a thorough recruitment process to appoint a new Head. The former Headmaster has an outstanding loan from the School for which a legally binding agreement exists for its repayment no later than February 2021. The detail of this loan is fully disclosed in the detailed financial statements. The School will enforce its legal rights in regard to the repayment of the loan.

### **Trustees' responsibilities statement**

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP; - make judgments and accounting estimates that are reasonable and prudent; - 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Auditor**

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and - they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 30 May 2019 and signed on behalf of the board of trustees by:

S R Bowker

Trustee

# **S. Anselm's School Trust Limited**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of S. Anselm's School Trust Limited**

**Year ended 31 August 2018**

#### **Opinion**

We have audited the financial statements of S. Anselm's School Trust Limited (the 'charity') for the year ended 31 August 2018 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 August 2018 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; - have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Emphasis of matter**

We draw attention to note 3 of the financial statements relating to the fact that these accounts have been prepared on a going concern basis. Our opinion is not modified in this respect.

## **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: - adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or - the financial statements are not in agreement with the accounting records and returns; or - certain disclosures of 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, the trustees (who are also the directors 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 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 charity or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report. Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Timothy Leeman BA FCA

(Senior Statutory Auditor)

For and on behalf of

MCABA Limited t/a Mitchells

Chartered Accountants & statutory auditor

91-97 Saltergate

Chesterfield

Derbyshire

S40 1LA

30 May 2019

**S. Anselm's School Trust Limited**  
**Company Limited by Guarantee**  
**Statement of Financial Activities**  
**(including income and expenditure account)**

**Year ended 31 August 2018**

			2018		2017
		Unrestricted	Restricted	Total funds	Total funds
	Note	funds	funds		
		£	£	£	£
<b>Income and endowments</b>					
Donations and legacies	5	21,847	–	21,847	66,313
Charitable activities	6	3,479,736	–	3,479,736	2,997,076
Other trading activities	7	57,800	86,648	144,448	103,657
Investment income	8	35	–	35	56
<b>Total income</b>		3,559,418	86,648	3,646,066	3,167,102
<b>Expenditure</b>					
Expenditure on charitable activities	9,10	4,036,858	114,716	4,151,574	2,971,320
<b>Total expenditure</b>		4,036,858	114,716	4,151,574	2,971,320
<b>Net (expenditure)/income and net movement in funds</b>					
		( 477,440)	( 28,068)	( 505,508)	195,782
<b>Reconciliation of funds</b>					
Total funds brought forward		3,269,087	187,071	3,456,158	3,260,376
<b>Total funds carried forward</b>		2,791,647	159,003	2,950,650	3,456,158

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

# S. Anselm's School Trust Limited

## Company Limited by Guarantee

### Statement of Financial Position

31 August 2018

		2018	2017
	Note	£	£
<b>Fixed assets</b>			
Tangible fixed assets	15	5,156,301	4,615,910
<b>Current assets</b>			
Stocks	16	1,223	1,726
Debtors	17	317,540	401,871
Cash at bank and in hand		123,235	159,317
		441,998	562,914
<b>Creditors: amounts falling due within one year</b>	18	1,411,932	1,185,644
<b>Net current liabilities</b>		969,934	622,730
<b>Total assets less current liabilities</b>		4,186,367	3,993,180
<b>Creditors: amounts falling due after more than one year</b>	19	1,235,717	537,022
<b>Net assets</b>		2,950,650	3,456,158
<b>Funds of the charity</b>			
Restricted funds		159,003	187,071
Unrestricted funds		2,791,647	3,269,087
<b>Total charity funds</b>	23	2,950,650	3,456,158

These financial statements were approved by the board of trustees and authorised for issue on 30 May 2019 , and are signed on behalf of the board by:

S R Bowker

Trustee

Company registration number: 00901169



# S. Anselm's School Trust Limited

## Company Limited by Guarantee

### Statement of Cash Flows

Year ended 31 August 2018

	2018	2017
	£	£
<b>Cash flows from operating activities</b>		
Net (expenditure)/income	(505,508)	195,782
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	175,259	129,693
Other interest receivable and similar income	( 35)	( 56)
Interest payable and similar charges	33,048	6,492
Gains on disposal of tangible fixed assets	—	(571,537)
<i>Changes in:</i>		
Stocks	503	—
Trade and other debtors	84,332	( 138,753)
Trade and other creditors	( 27,853)	392,437
Cash generated from operations	( 240,254)	14,058
Interest paid	( 33,048)	( 6,492)
Interest received	35	56
Net cash (used in)/from operating activities	( 273,267)	7,622
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	( 715,650)	( 1,486,812)
Proceeds from sale of tangible assets	—	575,000
Net cash used in investing activities	( 715,650)	( 911,812)
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	600,000	—
Repayments of borrowings	( 14,837)	( 288,069)
Advances of finance lease liabilities	413,383	—
Payments of finance lease liabilities	( 45,711)	—
Increase/(decrease) in intercompany balances	—	1,282,887
Net cash from financing activities	952,835	994,818
<b>Net (decrease)/increase in cash and cash equivalents</b>	( 36,082)	90,628
<b>Cash and cash equivalents at beginning of year</b>	159,317	68,689
<b>Cash and cash equivalents at end of year</b>	123,235	159,317

# **S. Anselm's School Trust Limited**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements**

**Year ended 31 August 2018**

#### **1. General information**

The charity is a private company limited by guarantee, registered in England and Wales. The address of the registered office is S Anselm's Preparatory School, Stanedge Road, Bakewell, Derbyshire, DE45 1DP.

#### **2. Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

#### **3. Accounting policies**

##### **Company status**

The charity is a company limited by guarantee, and accordingly does not have any share capital. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Going concern**

The school incurred a deficit of £505,508 for the period and had net current liabilities of £969,934 at the balance sheet date. The trustees have been concerned about the liquidity of the school and its ability to pay its debts as they fall due and accordingly a thorough review of the finances has been undertaken and a detailed financial plan has been produced covering the period to 31 August 2020. This has identified £250,000 of committed donations and has identified a readily marketable residential property which is surplus to requirements with an estimated value net of secured bank funding of £450,000. In addition a further two persons have committed to make good any remaining shortfall, should it so arise, during the period of the plan. Whilst in the current environment there can never be any certainty over the level of profitability and continuing financial support, having made appropriate enquiries, the trustees do not believe there to be any material uncertainty and they therefore believe it is appropriate to have prepared the financial statements on a going concern status. No adjustments have been made to reflect any write down of assets to net realisable value, to provide for any further liabilities which may arise or to reclassify fixed assets and long term liabilities as current assets and current liabilities, as might be necessary were continuing financial support not to be available and the going concern basis found not to be valid.

**Judgements and key sources of estimation uncertainty**

In the process of applying the company's accounting policies, the directors are required to make certain estimates, judgements and assumptions that they believe are reasonable based upon the information available. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the periods presented. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates, the effect of which is recognised in the period in which the facts that give rise to the revision become known. The estimate and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

**Useful life and residual values**  
**Tangible assets** The charge in respect of depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the company's assets may vary depending on several factors such as, technological innovation, maintenance programmes and future market conditions. They are determined by management at the time the asset is acquired and reviewed annually for appropriateness.

**Recoverability of trade debtors** The directors make provisions for doubtful debts based resulting from an assessment of the recoverability of trade debtors. Provisions are applied to trade debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. This methodology is applied on a customer by customer basis.

**Leases** Determining whether leases entered into by the company as a lessee are operating or finance leases requires judgement. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee based on the evaluation of the terms and conditions of the arrangements on a lease by lease basis.

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work. The costs of raising and administering such funds are charged against the specific fund.

**Incoming resources**

All incoming resources are recognised in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be estimated with reasonable accuracy. Fees receivable and charges for services and for the use of premises are recognised and accounted for over the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions allowed by the school. The school invoices pupils termly in advance. Cash received relating to these invoices is deferred until the start of the term to which they relate. Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Legacies are accounted for as soon as the charity is notified of its legal entitlement and the amount due is quantifiable. Donated services or facilities are recognised at the value to the charity where this can be quantified. The value of services provided by volunteers have not been included in these accounts. Investment income is included when receivable.

**Resources expended**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Charitable activities and governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

**Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis .

**Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

**Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	0% - 10% straight line
Fixtures and fittings	-	10% reducing balance
Motor vehicles	-	25% reducing balance
Computer equipment	-	25% straight line

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

**Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell.

**Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

**Financial instruments**

Debtors and creditors with no stated interest rate, and repayable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activities.

## Pensions

Retirement benefits to employees of the school are provided by the Teachers' Pension Scheme ("TPS"). This is a defined benefit scheme and the assets are held separately from those of the school. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. The TPS is a multi-employer scheme and the school is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year. Other full time staff are eligible for membership of a defined contribution scheme. Contributions payable are charged to the Statement of Financial Activities in the period to which they relate. The assets of both schemes are held separately from those of the company in independently administered funds.

### 4. Limited by guarantee

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

### 5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
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#### Donations

Donations	21,847	—	21,847
	-----	---	-----
	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £

#### Donations

Donations	5,313	61,000	66,313
	-----	-----	-----

### 6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Educational charitable activities	3,479,736	—	3,479,736
	-----	---	-----
	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Educational charitable activities	2,995,825	1,251	2,997,076
	-----	-----	-----

## School fee income

	2018	2017
	£	£
Gross fees	(4,328,036)	(3,673,856)
Less: remissions	848,300	676,780
	<u>(3,479,736)</u>	<u>(2,997,076)</u>

## 7. Other trading activities

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	2018
			£
Income from lettings	3,946	—	3,946
Miscellaneous income	50,754	—	50,754
Friends income	—	86,648	86,648
Registration fees	3,100	—	3,100
	<u>57,800</u>	<u>86,648</u>	<u>144,448</u>
	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	2017
			£
Income from lettings	20,704	—	20,704
Miscellaneous income	35,474	—	35,474
Friends income	—	42,979	42,979
Registration fees	4,500	—	4,500
	<u>60,678</u>	<u>42,979</u>	<u>103,657</u>

## 8. Investment income

	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
		2018		2017
	£	£	£	£
Interest received	35	35	56	56
	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>

## 9. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	2018
			£
Educational charitable activities	3,969,205	114,716	4,083,921
Support costs	67,653	—	67,653
	<u>4,036,858</u>	<u>114,716</u>	<u>4,151,574</u>
	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	2017
			£
Educational charitable activities	2,885,990	59,614	2,945,604
Support costs	25,716	—	25,716
	<u>2,911,706</u>	<u>59,614</u>	<u>2,971,320</u>

## 10. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds	
	£	£	2018	Total fund 2017
			£	£
Educational charitable activities	4,083,921	–	4,083,921	2,945,604
Governance costs	–	67,653	67,653	25,716
	4,083,921	67,653	4,151,574	2,971,320

## 11. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of tangible fixed assets	175,259	129,693
Profit/(loss) on disposal of fixed assets	–	(573,027)

## 12. Auditors remuneration

	2018	2017
	£	£
Fees payable for the audit of the financial statements	12,000	10,000

## 13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2018	2017
	£	£
Wages and salaries	2,373,931	2,085,905
Social security costs	217,580	195,005
Employer contributions to pension plans	253,760	217,524
	2,845,271	2,498,434

The average head count of employees during the year was 98 (2017: 90). The average number of full-time equivalent employees during the year is analysed as follows:

	2018	2017
	No.	No.
Teachers and other staff	98	90

The number of employees whose remuneration for the year fell within the following bands, were:

	2018	2017
	No.	No.
£100,000 to £109,999	1	1

## Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £306,580 (2017: £307,000).

## 14. Trustee remuneration and expenses

During the year, one trustee received remuneration for accountancy services totalling £3,191 (2017: £Nil).

During the year, no trustees received any reimbursement of expenses (2017: £837).



## 15. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
<b>Cost</b>					
At 1 September 2017	5,390,255	1,060,973	20,899	423,667	6,895,794
Additions	675,584	34,150	—	5,916	715,650
<b>At 31 August 2018</b>	<b>6,065,839</b>	<b>1,095,123</b>	<b>20,899</b>	<b>429,583</b>	<b>7,611,444</b>
<b>Depreciation</b>					
At 1 September 2017	1,140,458	727,690	15,645	396,091	2,279,884
Charge for the year	126,187	35,122	1,313	12,637	175,259
<b>At 31 August 2018</b>	<b>1,266,645</b>	<b>762,812</b>	<b>16,958</b>	<b>408,728</b>	<b>2,455,143</b>
<b>Carrying amount</b>					
<b>At 31 August 2018</b>	<b>4,799,194</b>	<b>332,311</b>	<b>3,941</b>	<b>20,855</b>	<b>5,156,301</b>
At 31 August 2017	4,249,797	333,283	5,254	27,576	4,615,910

### Finance leases and hire purchase contracts

Included within the carrying value of tangible fixed assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Land and buildings £
<b>At 31 August 2018</b>	<b>546,251</b>
At 31 August 2017	14,946

## 16. Stocks

	2018 £	2017 £
Finished goods and goods for resale	1,223	1,726

## 17. Debtors

	2018 £	2017 £
Trade debtors	87,865	176,101
Prepayments and accrued income	152,094	153,371
Other debtors	77,581	72,399
	<b>317,540</b>	<b>401,871</b>

The debtors above include the following amounts falling due after more than one year:

	2018 £	2017 £
Other debtors	77,551	—

**18. Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	42,945	29,055
Trade creditors	199,895	186,413
Accruals and deferred income	650,273	695,175
Social security and other taxes	149,649	159,858
Obligations under finance leases and hire purchase contracts	48,875	—
Other creditors	320,295	115,143
	<u>1,411,932</u>	<u>1,185,644</u>

Total liabilities disclosed under creditors falling due within one year secured by the school are £91,820 (2017: £29,055).

**19. Creditors: amounts falling due after more than one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	105,249	133,976
Accruals and deferred income	211,671	268,984
Obligations under finance leases and hire purchase contracts	318,797	—
Other creditors	600,000	134,062
	<u>1,235,717</u>	<u>537,022</u>

Total liabilities disclosed under creditors falling due in more than one year secured by the school are £424,046 (2017: £133,976). NatWest holds a fixed charge over the property known as Garden House, on Stanedge Road, Bakewell.

**20. Finance leases and hire purchase contracts**

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	48,875	—
Later than 1 year and not later than 5 years	318,797	—
	<u>367,672</u>	<u>—</u>

**21. Deferred income**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
At 1 September 2017	955,269	468,070
Amount released to income	(763,059)	(468,070)
Amount deferred in year	654,129	955,269
<b>At 31 August 2018</b>	<u>846,339</u>	<u>955,269</u>

Deferred income relates to fees paid in advance.

**22. Pensions and other post retirement benefits****Defined contribution plans**

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £253,760 (2017: £217,524).

## 23. Analysis of charitable funds

### Unrestricted funds

	At 1 September 2017	Income	Expenditure	At 31 August 2018
	£	£	£	£
General funds	3,269,087	3,559,418	(4,036,858)	2,791,647
	-----	-----	-----	-----
	At 1 September 2016	Income	Expenditure	At 31 August 2017
	£	£	£	£
General funds	3,118,921	3,061,872	(2,911,706)	3,269,087
	-----	-----	-----	-----

### Restricted funds

	At 1 September 2017	Income	Expenditure	At 31 August 2018
	£	£	£	£
Astro Fund	91,000	—	(91,000)	—
Friends of S. Anselms	23,422	86,648	(22,116)	87,954
Library Fund	72,649	—	(1,600)	71,049
	-----	-----	-----	-----
	187,071	86,648	(114,716)	159,003
	-----	-----	-----	-----
	At 1 September 2016	Income	Expenditure	At 31 August 2017
	£	£	£	£
Music Fund	35,000	1,250	(36,250)	—
Astro Fund	30,000	61,000	—	91,000
Friends of S. Anselms	2,218	42,980	(21,776)	23,422
Library Fund	74,237	—	(1,588)	72,649
	-----	-----	-----	-----
	141,455	105,230	(59,614)	187,071
	-----	-----	-----	-----

The Music Fund related to a restricted donation received. This was used in the music department for the purchase of instruments or equipment.

The purpose of the Astro Fund was to raise sufficient funds to construct outdoor astroturf pitches for the school. This was fully spent in the year ended 31 August 2018.

The purpose of the Friend's of S. Anselms is to raise funds for projects to benefit the school and its pupils. Funds are raised through the S. Anselms Foundation. This was established in August 2004 as a permanent fundraising organisation to fund future development plans for the benefit of the school. The first objectives are to accept donations to fund bursaries at the school, and other major capital projects. A separate bank account is held for the friends fund. The income in the period represents the bank receipts, and the expenditure represents the bank payments.

The Library Fund was created in order to fund improvements to the school's library. Donations were previously received from parents and friends of the school. Expenditure against the fund is depreciation charged in the period against fixed assets purchased with the donations received.

## 24. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Tangible fixed assets	5,085,252	71,049	5,156,301
Current assets	354,044	87,954	441,998
Creditors less than 1 year	(1,411,932)	—	(1,411,932)
Creditors greater than 1 year	(1,235,717)	—	(1,235,717)
<b>Net assets</b>	<b>2,791,647</b>	<b>159,003</b>	<b>2,950,650</b>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Tangible fixed assets	4,452,261	163,649	4,615,910
Current assets	539,492	23,422	562,914
Creditors less than 1 year	(1,319,706)	—	(1,319,706)
Creditors greater than 1 year	(402,960)	—	(402,960)
<b>Net assets</b>	<b>3,269,087</b>	<b>187,071</b>	<b>3,456,158</b>

## 25. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018 £	2017 £
Not later than 1 year	59,843	98,752
Later than 1 year and not later than 5 years	63,613	99,419
	<b>123,456</b>	<b>198,171</b>

## **26. Pension commitments**

The school's employees belong to the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff. This is a multi-employer defined benefit scheme.

The latest actuarial valuation of the TPS related to the period 31 March 2012.

Contributions amounting to £94,422 were payable to the scheme at 31 August 2018 (2017: £25,116) and are included within creditors.

### ***Teachers' Pension Scheme***

#### ***Introduction***

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007 automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

#### ***Valuation of the Teachers' Pension Scheme***

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directors 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on actuarial assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge, currently 14.1%) - total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million - an employer cost cap of 10.9% of pensionable pay will be applied to future valuations - the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the previous year the employer contribution rate was XX. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £239,148 (2017: £205,674).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

## 27. Related parties

During the year, the school made an interest free loan to the headmaster as follows:

	Balance at 1 September 2017	Repaid during the year	Advanced during year	the Balance at 31 August 2018
	£	£	£	£
P Phillips	70,399	–	7,152	77,551

Peter Phillips left the employment of S. Anselm's on 8th February 2019. A legally binding obligation to repay to the School the loan balance in full, no later than 8 February 2021, is incorporated in the agreement signed by Peter Phillips on termination of his employment. The School will enforce its rights to ensure the loan balance is repaid in full by the due date. There is an interest free loan amounting to £66,356 (2017: £50,000) due to R J Tarbatt from the school. R J Tarbatt was a trustee during the year. During the year, an interest free loan was made by three of the trustees to the school of £600,000. At 31 August 2018, the full amount of the loan was still outstanding. This loan was secured by assets of the school. Rent of £2,800 (pro rata) was paid to one of the trustees in respect of the use of a property.

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