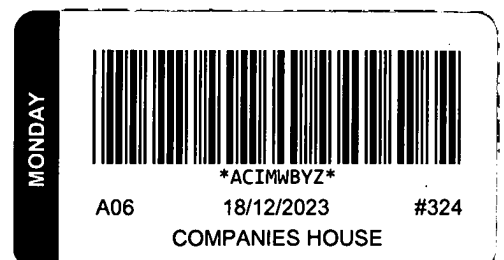


Charity Registration No. 01076456

Company Registration No. 03779971 (England and Wales)

ARDINGLY COLLEGE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023



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ARDINGLY COLLEGE LIMITED

COMPANY INFORMATION

DIRECTORS AND ADVISORS

Directors

R Haynes Brown (Chair)
C Baty
S Bradshaw
S L Champkin
G W Dixon
L Flynn
S Hay
G Holmes
L E Lindsay
J Martin
R Martin
C Zanna

Secretary

S Koziarski

Charity No.

01076456

Company No.

03779971

Principal Address and Registered Office

Ardingly College
College Road
Ardingly Haywards
Heath West
Sussex RH17
6SQ

Key Management Personnel

- Head of College
- Chief Operating Officer

B A Figgis
T Scully

Auditor

RSM UK Audit LLP Portland
25 High Street
Crawley
West Sussex
RH10 1BG

ARDINGLY COLLEGE LIMITED

COMPANY INFORMATION

Bankers

Lloyds Bank plc
99-101 South Road Haywards Heath West
Sussex
RH16 4ND

Principal Solicitors

Veale Wasbrough Vizards LLP
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

Insurance Brokers

Marsh Limited
1 Tower Place West Tower Place
London
EC3R 5BU

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

The directors present their report and financial statements (including the Directors' and Strategic Reports) for the year ended 31st August 2023 and confirm they comply with the requirements of the Companies Act 2006 and the Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Report Standard applicable in the UK and Republic of Ireland (FRS 102) effective January 2019.

REFERENCE AND ADMINISTRATIVE INFORMATION

The charity was formed in 1858 and is registered with the Charity Commission as charity number 01076456. The charity is a limited liability company and wholly owned subsidiary of The Woodard Corporation (charity number 01096270). The charitable company is incorporated in the United Kingdom. Directors of the Company are also Fellows (members) of the Woodard Corporation and participate in the election of its board of management and are committed to its charitable objects.

Note 31 provides details of connected charities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Company is governed by Articles of Association as adopted by Special Resolution dated 20th March 2013, replacing those dated 6 July 2005 amended by Special Resolution dated 25 January 2006. They permit funds to be managed in such a manner as the directors see fit, provided that such powers are only exercised for the purposes of attaining the objects and in a manner which is legally charitable. The Articles of Association forbid the distribution of any property or funds, which are to be applied solely towards the promotion of the objects of the company.

Governing Body

The Governors are the directors and charitable trustees of the company and comprise the governing body of Ardingly College and are elected to hold office for terms of five years. The College is governed by the governing body which operates using a number of committees. Membership of each committee is outlined on page 20. The governing body met three times during the year.

Recruitment and Training of Governors

All Governors are Corporate Fellows of the Woodard Corporation. Corporate Fellows are responsible for electing the Woodard Corporation Board. Governors are recruited on the basis of nominations from College contacts and from selection when a post becomes available. The governing body look to ensure a mix of skills and select new governors on the basis of background, competence, specialist skills and, in the case of Fellows, Christian commitment. Governors are provided with induction training by the Head and Clerk to the Governors and a wider programme of training events is organised by the Woodard Corporation. The College also encourages governors to attend events run by the Association of Governing Bodies of Independent Schools (AGBIS).

Where possible the Governors consider that the skills and experience of the Council should comprise the following: accountancy, financial management, risk management, investments, marketing, PR/advertising, HR/training, IT strategy, education, charity governance, insurance, fundraising, planning, construction, health & safety, legal, safeguarding and knowledge of the sector.

A Governor may have one or more of these skills.

Volunteers

Governors are volunteers providing their time for free to support the governance of the college. The College also relies on a number of others to undertake volunteer roles including Friends Association members; Work Experience; classroom support and Solar Car assistance.

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

Organisational Management

The College is governed by the governing body (Council) which delegates work to a number of committees. The Governors, who are also the directors, determine the general policy of the company.

Education Committee – the role of the Education Committee is to monitor the provision and development of all aspects of education in the College including admissions. The Education Committee will be involved in devising, recommending, approving and reviewing policies but it is not part of the management and therefore not responsible for the implementation of policy and other aspects of the day-to-day administration of the College. Comprising Governors, the Head and other members of staff, the Education Committee serves as an interface between the staff and Council to which it is responsible. The items to be discussed are agreed between the Chair of the Committee and the Head following consultation with other members of the Committee. Its brief is to monitor the College's academic performance, guide the Senior Management Team, be aware of national changes in education and monitor the College's extra-curricular provision, admissions model and compliance with ISI. The Committee met three times during the year.

Finance & General Purposes Committee – the Committee meets regularly once a term, approximately two weeks in advance of the main Council meeting, and additionally in September, then as required. The main aim of this Committee, whose members are drawn from the Council and have experience of financial matters, is to review the financial aspects of the College's business in detail and to make recommendations to Council for formal endorsement. The Finance & General Purposes Committee makes recommendations to Council on budget, borrowing, salaries and capital project spend. The Committee met four times during the year.

Estates Committee – the Estates Committee acts on the authority of the Council in a monitoring and advisory role. Its findings and recommendations being reported to the Council for ratification or further discussion, specifically in relation to capital projects, maintenance, Health and Safety and IT. The Committee met three times during the year.

Nominations & Governance Committee – The Nominations & Governance Committee has been established as a sub-committee of the Council to take responsibility for ensuring the members of College Council have the skill-set and experience required to ensure appropriate governance of all College activities. It also makes recommendations to the Board for any changes to the governance approach (for example, new committees) to ensure Council operates in line with best practice. The Committee meets as required but at least annually. Due to a re-structure of Committees and Link Governor roles effective from September 2023 and several new governors being recruited in the year, the Nominations and Governance Committee met three times in the year.

In addition to the Committee structure, individual Governors are allocated key areas of responsibility: including Safeguarding/Early Years, Health & Safety, Compliance, Boarding and ICT.

From 1st September 2023, a revised governance structure is in place, consisting of six sub-Committees of Council (Education & Pastoral; Finance & General Purposes; Risk & Safeguarding; People & Culture; Estates, and Nominations & Governance). Revisions have also been made to the key areas of responsibility to which individual Governors are assigned.

The key personnel are defined as those who attend full Council meetings: the Head of the College and Senior School, the Chief Operating Officer, the Head of Prep and the Senior Deputy Head of the Senior School. The day-to-day management of the company is delegated to the Head of the College and the key management personnel, overseeing educational, pastoral and administrative functions in consultation with the senior staff. The day-to-day administration is undertaken within the policies and procedures approved by the Governors which provide for only significant expenditure decisions and major capital projects being referred to the Governors for prior approval.

The Head oversees the recruitment of all educational staff, whilst under delegated authority the Chief Operating Officer oversees the recruitment of administrative and non-teaching operations staff.

The remuneration of key management personnel (noted on page 1) is set by Council, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding

ARDINGLY COLLEGE

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

them fairly and responsibly for their individual contributions to the College's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the College remains aware of the broader issues of pay and employment conditions elsewhere.

The College aims to recruit the best staff and is also keen to target newly qualified graduates and trainees to support through their career development. Delivery of the College's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

Group Structure and Relationships

The College has two wholly owned non-charitable subsidiaries: Ardingly Projects Limited and Ardingly College International Limited. The activities and trading of the subsidiaries are described below. Note 31 provides details of connected charities.

The principal activity of Ardingly Projects Limited is letting College premises and facilities, and retailing.

The principal activity of Ardingly College International Limited is providing educational consultancy services to foreign clients and developing English-speaking schools outside of the UK.

The College has developed links with a wide range of organisations to ensure the widest possible access to our facilities and education. Through membership of HMC, IAPS, AGBIS and ISBA and through networking with peer groups we ensure that we are able to attain the highest standards of quality and performance. We encourage our pupils to develop an awareness of the social context of the all-round education they receive at the College, and they are engaged in a number of activities to enhance their understanding.

We aim for the College's relationship with its alumni (Old Ardinians) to be a strong and positive lifelong partnership. We achieve this through a dedicated communications programme, a wide range of events, and positive opportunities to get involved with the life of the College today and inspire the next generation of Old Ardinians. An Agreement of Co-operation has been signed between the College and the Old Ardinians Society, which provides the framework for partnership and delineates the responsibilities of the College and the Society to each other for the benefit of the alumni community.

CHARITABLE OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The charity's objects, as set out in the Articles of Association, are to promote and extend education (including spiritual, moral, social, cultural and physical education) in accordance with the doctrines and principles of the Church of England.

The Woodard Corporation (Woodard Schools) is an educational charity founded on the vision of Canon Nathaniel Woodard in the mid-nineteenth century as a direct consequence of the founder's concern to transform his contemporary society through the provision of quality Christian education to the emerging middle classes.

The Woodard Corporation and its schools share a mission to educate young people to become active and responsible citizens who make a positive contribution to society and who are encouraged to participate, care for others and show leadership wherever that is possible.

Aims and mission

Our mission is to empower children to transform their lives through a World Ready education.

Intended impact

Our education encourages children to become engaged and resilient students with a well-developed understanding of themselves and how they relate to the world.

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

Equal Opportunities/Employment Policy

The College is committed to the principle of equal opportunities in employment and in equal pay for work of the same or similar nature or work of equal value. The College declares its opposition to discrimination or any form of less favourable treatment or financial reward, whether through direct or indirect discrimination, harassment, victimisation or segregation accorded to employees or job applicants, on the grounds of the following Protected Characteristics: age, sex, marriage and civil partnerships, gender reassignment, race, religious beliefs or political opinions, ethnic origin, nationality, marital/parental status, sexual orientation, disability, pregnancy, maternity, part-time or fixed-term employment.

Ardingly College is committed to greater awareness of, and concerted action around, the need for increased diversity, equity and inclusion in our College community. We recognise that, both here and in the wider world, power structures and norms are rapidly becoming outmoded or inadequate to reflect our changing society and the drive for greater equality.

The College, led by the EDI department, continues to demonstrate its commitment to Equity, Diversity and Inclusion (EDI), building on the successes of last year through continued auditing, staff training, engagement and organisation of EDI cultural and educational events. Staff from across the College had the opportunity to anonymously reflect on the sense of belonging and inclusion in our community through a bespoke survey created by the Global Equity Collective (GEC). This in turn provided us with a detailed audit of the school's EDI culture and the wider sense of belonging, and recommended action points. These were reviewed by a staff working group (across College sections) and summarised in a Senior School teaching staff CPD session. The Head of EDI is collaborating with the Director of People to reflect on how to understand the College's staff profile and needs, and to implement the suggested action points over the coming year. All staff have access to the GEC library of professional development resources (articles, videos etc.) to develop their own understanding of EDI matters, specifically in schools. We have also continued our own in-house EDI staff training, including Senior School Teaching staff training on Unconscious Bias and our Gender Exploration Guidance. Staff have also had the opportunity to engage and create positive change through our EDI Staff Working Groups, created this year for the Prep School and the organisation of all our EDI College events.

Investment Policy and Objectives

The Company's Memorandum and Articles of Association permit funds to be invested in such manner as the directors see fit, providing that advice has been obtained from a financial expert and providing that such powers of investment consider the suitability of investments and the need for diversification.

The College currently holds investments with Hargreaves Lansdown which originate from a legacy gifted in 2019. The investments fall under the stewardship of the College's Investment Sub-Committee, that is seeking to grow the overall fund and establish an endowment to generate income to fund bursaries. An Investment Policy was approved by the Investment Sub-Committee this year. The policy sets out a desired asset mix for the potential endowment, to balance capital and income returns as follows:

Equities	55%
Bonds	15%
UK Property	28%
Cash	2%

The portfolio will be rebalanced on an annual basis, or whenever a significant (over £100,000) donation is made to the bursary fund.

The Investment Policy also sets out the ethical and sustainability ethos and whilst it currently does not impose an ethical investment target, it is expected that the ethos will develop over time. Wherever possible, investments will not be made in equities or funds which involve the following industries: Arms; Tobacco; Gambling; Child exploitation; Adult entertainment; and investments will be made so as not to breach the ten principles of the UN Global Compact.

Cash funds from donations and legacies have also been placed in a number of new term deposit accounts with Lloyds bank in order to benefit from the current high interest rates.

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

STRATEGIC REPORT

Primary objectives

The management and governors of the College have developed a strategic plan that defines the purposes of World Ready education and identifies enablers to support our ambitious education.

The primary objectives of the strategy are to develop the six strands of World Ready:

- Care and Wellbeing
- Enquiry & Evaluation
- Enrichment & Enjoyment
- Society & Me
- Enterprise & Employability
- Local & Global partnership

Current and recent strategies to achieve objectives

Care and Wellbeing:

Child Protection Online Management System (CPOMs) has been fully implemented to improve information sharing among staff. Safeguarding training has been developed to raise the skills of all staff in anticipating and managing safeguarding needs of pupils.

Enquiry & Evaluation:

Development of project learning strands throughout the curriculum to develop collaborative skills. Roll-out of self-directed digital learning strand to develop awareness and appropriate use of AI. Also developing and rolling out a literacy strategy for prep and senior schools to secure foundational literacy skills in all year groups.

Enrichment & Enjoyment:

The Enrichment Programme describes all opportunities outside the academic curriculum that open students' horizons and enable them to find their passions. The programme is reviewed regularly to ensure that students actively enjoy the activities and that it provides a balance of challenge and satisfaction.

Society & Me:

Appointment of lead to train tutors to hold important conversations and learning about social change and attitudes. Working with pupil ambassadors, and interest-group societies such as New Era, Anti-Racism and LGBTQIA+.

Enterprise & Employability:

The College seeks to appoint a well-qualified and full-time lead for this strand, to define the key skills all students should develop to help prepare themselves for the world of work and to offer opportunities for students to practice these skills.

Local & Global Partnerships:

The College is committed to supporting local state primary and secondary schools to provide academic opportunities that are beyond the resources available to them; for example, we provide language teaching and programmes for primary schools and STEM learning through our partnership with Ifield Community College that won a TES partnership award in 2020.

ARDINGLY COLLEGE

DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2023

Pupil numbers

	2022/2023		2021/2022	
Senior School	814	(329 boarders)	799	(320 boarders)
Preparatory School	158	(0 boarders)	166	(2 boarders)
Pre-Preparatory School	67		81	
Total	<u>1,039</u>		<u>1,046</u>	

	2022/2023		2021/2022	
	Boys	Girls	Boys	Girls
Senior School	437	377	440	359
Preparatory School	81	77	85	81
Pre-Preparatory School	39	28		34
Total	<u>557</u>	<u>482</u>	<u>572</u>	<u>474</u>

Pupil numbers are presented excluding Pre-Nursery and Nursery pupils. 2021/22 numbers have been restated to reflect the inclusion, from September 2022, of years 7&8 in Senior School.

Bursaries

To supplement the financial assistance provided to a significant number of present pupils through the College's bursarial scheme, work towards establishing a College endowment fund commenced in 2019. The fund's objective is to build an endowment that will in future be used to provide bursarial support to talented pupils whose family circumstances would otherwise prevent them from attending the College. The endowment is funded by legacies from alumni and donations from parents and supporters of the College. The College is extremely grateful to all those who contribute to supporting bursary pupils to access and enjoy the educational opportunities of the College. Bursaries are also funded by revenue earned by the College's subsidiary companies.

The College is mindful that it must ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards. As such, the College has a duty to make sure that bursaries are awarded to families with demonstrable need. In assessing means, the College uses Bursary Administration Services to provide third-party assessment of bursary applicants' financial means.

Bursaries range from 5% to 90% remission of fees. We also have a hardship fund that supplements bursary awards to pay for co-curricular activities, equipment and College trips. Information about fee assistance through bursaries is provided to all applying to the College. Further details regarding bursaries are available on request.

In 2022-23 the value of means tested bursaries totalled £434,609.

The College funded thirty students on transformational means-tested bursaries (50%+ tuition fees). Of these, nine were 100% funded bursaries and another ten were 70%+.

Of these, two refugee children from Ukraine and one student from Afghanistan took up fully-funded bursary places. We are also proud to have started working this year with the Royal National Children's Springboard Foundation and have awarded a fully-funded boarding place to our first Springboard pupil. We hope to extend this relationship in the years ahead with the aim to have one Springboard pupil in each year of the Senior School.

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

PRINCIPAL RISKS AND UNCERTAINTIES

The consideration of risks in the paragraphs below reflects the moderately more stable environment, post the Coronavirus Pandemic, offering a wider view of common events plus a specific risk looking at those events that could impact the continuity of education.

The governors consider the economic turbulence of recent years and the affordability of fees by parents across the independent sector to be the principal risk faced by the College. The independent sector as a whole is currently subject to potentially increased political risk as the stated policy of the Labour Party is to remove some tax concessions for charitable independent schools. If elected, and if this policy is enacted, there is a significant risk to the independent sector as VAT would have to be added to school fees. This would potentially make the fees unaffordable for a proportion of parents, materially affecting the income of the College.

Council is supported by the College Executive in reviewing risks faced by the College. Risks (including other regulatory and operational) are identified and assessed by means of a Risk Register and controls monitored and updated throughout the year.

The key controls used by the charity include:

- Articles for the Board and detailed terms of reference for all Board committees
- Formal agendas for all committee and Board meetings
- Comprehensive budgeting and management accounting
- Review and approval at College Executive and governor level of key policies
- Safeguarding and vetting procedures as required by law for the protection of the vulnerable
- Regular consideration of the Risk Register.

The principal risks and uncertainties for the College and the mitigation strategies in place include the following:

Pupil demand

Demand is monitored at each entry point and admissions stage to enable trend analysis which can act as an early warning indicator of a possible drop in demand and marketing efforts are then focused on any year groups which look as if they may need incremental pupils. A comprehensive parent survey was conducted in 2023 to understand parental satisfaction and areas for continuous improvement.

Regulatory non-compliance

The Compliance Committee comprised of governors and management staff met termly throughout the year according to a prescribed agenda to monitor all aspects of regulatory compliance. Key policies are reviewed annually by the College Executive and governors are notified of significant changes. Safeguarding and Child Protection, Health & Safety and Anti-Bullying policies are reviewed and signed off annually by Council.

Health and Safety and Data controls

Health & Safety and Data Protection are managed by full-time professionals to ensure anticipation of risk and implementation of mitigations.

Board and committee composition

Council regularly reviews the skills matrix to identify potential experience or skill gaps. Conflicts of interest are declared and monitored and required checks are made on prospective governors prior to appointment. The Nominations & Governance Committee is tasked with overseeing the composition and process by which governors are introduced, vetted and approved.

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

Senior School summary of activity and achievements

General

The College celebrated 50 years of co-education at Ardingly, charting the journey from the admission of three Sixth-Form girls in 1972 to full co-education as we know it today, with 492 girls from ages 3 to 18.

The College opened its Lower School to Year 7 and 8 pupils, with the new space and experience being very well received by students and parents.

Debating: mass participation (114 students) in House Debating and the Ardingly team reached the regional finals of the ESU schools mace.

Six students read their way to a Southern Schools Book Award.

Careers: Women in Economics and Careers in Sociology events both provided insights from OA and other professionals.

Values education

The Head and teachers communicated our core values of Compassion, Engagement, Collaboration and Resilience. Pelican awards were initiated by which students and staff nominate each other for acts of kindness and positive community contributions.

House dinners have been brought back onto the calendar post-Covid and are well-received as enjoyable parent engagement.

Let's Connect Mental Health Week events focused on promoting openness and understanding anxiety.

International Women's Day featured a *Fairer Society* conference, workshops on activist poetry with Erin James and finding your voice, Chapel with Bishop Ruth Bushyager. A mirror-display on the 'Equitree' in South Quad encouraged reflection on actions we can take to build a fairer society. As last year, the day concluded with engaged students singing, telling stories and performing in a Red Tent event in the Café.

Academic activity

The Ardingly/Ifield Solar Car project was among the finalists in the UN Young Inventors Challenge, which is part of the education programme for the UN Sustainable Development Goals. The team is currently designing a solar utility vehicle.

Chemistry team achieved 3rd place in regional heat of RSC Top of the Bench competition.

Computer Science: 51 students competed in the international BEBRAS computational thinking challenge and Year 8 girls in the GCHQ Cyber First competition; two students achieved Merits in the Oxford University Computing Challenge.

Sport

Swimming success continued, winning the Sussex Cup and swimmers qualifying for the ESSA National Finals at the Olympic pool. The Ardingly College Swim team won 25 medals at the Sussex championships.

In hockey, the 1st XI girls reached the Quarter-finals of the Hockey National Cup. The 1st XI Boys' Hockey reached the National Tier 2 Quarter Finals. The U13 Boys' Hockey won the ISA National Hockey finals. Individually, one male student was selected for England U18 and a female student for England U16.

In football, the 1st XI Girls' Football reached the National Cup Quarter Finals. The 1st XI Boys' Football reached the London Cup Quarter Finals. The U16 Girls' Football reached the final of the County Cup (2nd year running).

In netball, the 1st Girls' Netball won 3rd place in the SISNA Sussex Schools Netball Tournament.

ARDINGLY COLLEGE

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

In fencing four students qualified for the British Youth Championships.

Two students competed at the World Indoor Rowing Championships (5th and 6th in their respective events).

In Dance, nine students were awarded distinctions and three gained merits in Contemporary Dance exams.

In Equestrianism a student represented GB in the European Dressage.

Music, Drama, Dance and Creative Arts

Music-making continued to be vibrant with numerous recitals, a Remembrance Concert and a community performance of Vivaldi's Gloria.

It was a year of musicals, with both Dolly Parton's 9-to-5 and Matilda performed to great acclaim.

400+ students took regular instrumental or singing lessons and participated in the early or final rounds of YMOTY at intermediate or advanced level.

The second year of the dance show *Lost in Motion* provided an excellent showcase of mixed dance forms.

Academic Results

Ardingly students once again achieved outstanding outcomes in the 2023 examinations. Staff and students worked together to overcome the normalisation of grades to pre-pandemic levels and were able to surpass 2019 outcomes across most metrics, despite these students having never previously sat public exams before on account of the COVID-related exam cancellations in 2021. A-Level candidates are to be particularly commended on having achieved an even higher proportion of A*-B grades than their 2022 predecessors – in a year when grades were actively being brought down, theirs went up.

GCSE highlights:

- 68% of entries were graded 9-7 (the equivalent of A* or A grade).
- 36 scored a full set of 9s and 8s (A* equivalent) and 16 achieved all 9s.
- 97% of the GCSE cohort qualified for continuation into the Sixth Form.

A Level and IB Diploma highlights:

- 90% of entries achieved A*-B or the IB equivalent 7-5 (86% in 2019).
- One third achieved the equivalent of AAA or higher.

BTEC highlights:

- 10 Level 3 entries in Business and Sport.
- 90% of entries awarded Distinction* or Distinction (equivalent A*/A at A Level).

University admission

Ardingly College leavers in 2023 fulfilled offers to attend a wide variety of universities both in the UK and overseas in what continues to be an increasingly competitive market. The most popular university this year was Exeter (9), followed by Bristol and Bath (7), King's College London (6), UCL and LSE (5) and Cambridge, Manchester and Birmingham (4). Our leavers also achieved their offers to continue their education in a broad selection of universities around the world including Harvard, Brown and NYU in the US, Bocconi and Humanitas in Italy and HKU in Hong Kong.

Business and Economics courses were as popular as ever while Law has seen an increase in popularity. Other courses range from Astrophysics to History of Art, with several continuing to study Music or Drama. The Music department had a particularly strong year, with one student progressing to study the subject at Oxford and another at Cambridge.

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

Ardingly College Prep School

For the academic year 2022-2023, we set ourselves six targets via our *School Development Plan, Towards 2025*, and using these signposts as evidenced below, we are able to see we have had a productive, purposeful and prosperous year of endeavour, and achievement, with much to be proud of:

1. *To be One School in Two locations:*

We have focused on our new school dynamic from Nursery to Year 6 and have worked hard at building our community between our pupils, teachers, operational staff and parents across the two locations. It has been a challenge and plans to relocate at the Farmhouse site are underway which will make our processes far simpler. It is a challenge running one school across the two locations. However, as seen below, the following steps have been taken to facilitate the 'One School' plan:

- Weekly Staff Meetings and gatherings with further plans for improvements in 2023
- Weekly Celebration Assembly in the Chapel for Reception-Year 6 with parents invited
- Teachers, Subject Leads, Operational Staff and SLT working across the two sites
- Lessons for Year 2 on Friday afternoons, including lunch, for Year 2 on the main campus
- Whole School Camp at Blackland Farm in June
- Whole House Music, Drama, Song competitions
- Whole school Sports Day
- Whole school Art Exhibition
- Termly House Feasts
- Parental events to build our community across the two sites: Termly Open Classrooms, Remembrance Service, Informal Concerts, Drama Shows, Weekly Curriculum Events, Grandparents' Assembly, Café events, Weekly Celebration Assembly, Christmas Fair, Family Fun Day, Fireworks, The Ball and an inaugural joint Sports Day with picnic lunch.

2. *To deliver a balanced and purposeful curriculum*

The curriculum for the whole school was reviewed prior to the academic year and a whole-school approach has been taken to all subjects. The Deputy Head (Academic) has led the delivery and monitoring of the curriculum with Subject Leads teaching, observing and monitoring across both sites. There will be further developments for 2023, building on the changes and successes of the year with a review of the Maths curriculum and teaching, and a new English and phonics programme, *ReadWriteInc* for September 2023.

- Sonar Tracking system launched
- Year 6 won 13 scholarships to the Senior School across academics, sports, music, drama and dance.
- Science Week
- UK Maths and JMC Challenges have been successful once again with numerous awards, and a good number of Gold, Silver and Bronze levels reached, and several have reached the Kangaroo standard and one Olympiad
- PSHE, Music, Drama, Art and Sport taught across the One School by Subject Leads in weekly lessons.

3. *To embed creativity and discovery in the curriculum*

Children have had numerous opportunities for creativity, discovery and enrichment in their learning throughout the year with further plans for 2023:

- Heritage projects: children encouraged to produce a document researching their family
- Poetry Declamation: children learnt a poem and performed in class and Chapel
- Author Visits from Guy Parker-Rees and Jack Meggett-Phillips
- World Cup project: a research-based project on individual countries
- Viking and Roman Workshops: Year 4 were treated to an external expert
- Year 5 and Year 6 residential trips to Bowles, Kent and France respectively
- Music: three x termly Informal Concerts, Termly Formal Concerts, and enrichment opportunities with professional musicians, the Brass Funkeyz, Harry The Piano and Daniel Gilmore's drumming workshop. There were opportunities for children to play in the Senior School ensembles and take part in the annual St John Smith's Square concert
- Weekly Forest School lessons for younger years and a club for Years 3-6
- Whole School Art Exhibition

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

- Drama: form plays, LAMDA exams, two London Theatre trips, *High School Musical* for Year 5 and 6, Year group productions for Years 3, 4 and 5 respectively and Year 6 *The Greatest Show*
 - Sport: Boys U11 IAPS' National Hockey Winners (Plate), three National Prep Schools' Athletics Medals (gold and two x silver), One IAPS National Prep Schools' Cross Country medal, and winners of various local schools' competitions including East Court, Seaford and HXP.
4. *To have a "support for all" approach to learning*
The deputy Director of Learning Support has facilitated the support for all children having launched Universal Classroom training for all academic and sports staff. Universal toolboxes have been successfully implemented, normalized and used in all classrooms. Support is available for individuals and groups in all spectrums of their learning, supporting those challenged by english, maths and phonics and to extend the most able likewise. Weekly pastoral meetings where every child can be discussed, allows support for all children and these meetings are well-attended and minuted.
5. *To deliver an outstanding values, characteristics and human skills programme*
We have worked hard on team-building and individual education throughout the year with various programmes in place to facilitate this:
- Weekly Shaping My World lessons covering a range of topics from careers advice, First Aid, Mental Health, Manners, Public Speaking, Strategy Games, and small talk amongst a range of 20 other topics
 - Discovering and Shaping My World weeks
 - Weekly PSHE lessons taught by Head of PSHE across whole Prep.
6. *To become the most generous school in and out of the school environs*
This will always be a work in progress, and we have worked hard to teach all our children the value and importance of generosity in our College community and away from school. We have celebrated the actions of the children in our weekly Celebration Assemblies with public rewards for children displaying such behaviour with Golden Generous badges, and awards of the coveted Hargreaves and Neal Shields and the Cole Cup. PSHE and Discovering My World/Shaping My World topics covers generosity likewise and 'Generous' is arguably our most important value amongst the 4US of Generous, Adventurous, Ingenious and Curious. In Michaelmas term 2023, we have added an additional assembly on a Tuesday to allow more impact for messaging, education and discussion on manners, responsibility, good behaviour and being generous. Some children visited a local hospice in Shaping My World week and we plan to return with a choir prior to Christmas with some carols. Teachers have started to teach various sessions in local schools, such as language teaching at Balcombe primary from our Modern Foreign Languages lead on Fridays, and there are further plans for Michaelmas term 23.

Funds held as custodian trustee on behalf of others

Ardingly College does not hold funds or act as custodian trustee on behalf of others.

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

FINANCIAL REVIEW

Results for the Year

The income for the year amounted to £29.5m, of which the operating surplus on all College activities (including the subsidiary businesses) increased to £1,904,300 from last year's surplus of £869,644. Gross fee income for the year increased by 8.5% from last year, resulting both from fee increases and seven additional boarding pupils, even though overall pupil numbers reduced by seven. Total fee remissions reduced to 9.1% of gross fees from 9.7% last year. The two subsidiary companies returned combined profits of £511,481 in the year, compared with losses of £223,513 in the previous year. Investments also increased in value by £28,811 this year, compared with a fall of £108,293 in the year to 31 August 2022.

Ardingly Projects Limited had a very successful year's trading, with bookings at capacity over the summer, after a steady return of the international clients in the previous year. Residential sales for client bookings during the Easter and Summer holidays returned to pre-pandemic levels and total income from all channels exceeded expectations at £1.69m; an improvement of £682,200 (40.4%) on the previous year. The company generated a profit of £399,052 but could not pay this as a covenant to the College due to the losses carried forward from the previous three years. The cashflow generated in the year meant that Ardingly Projects Limited was able to repay previous years' intercompany balances to the College and reduce the balance carried at the year-end from £1.0m to £387,778. The Board has reviewed the forecasts and with robust demand from international clients considers that the business should be viewed as a going concern.

Ardingly College International Ltd, the College's subsidiary company developing franchised schools overseas, generated income of £292,633, primarily from the service fee received for the first year of operation of Zhongshan school. The company generated a profit of £112,429 but could not pay this as a covenant to the College due to the losses carried forward from the previous two years. The Board has reviewed the forecasts and with Ardingly College Zhongshan now operational, considers that the business should be viewed as a going concern.

Group total funds increased by £1,904,300 for the year. The DB pension scheme has continued in surplus this year and, as last year, it has been agreed not to reflect this asset in the SOFA due to the long-term nature of the liabilities and the volatility of discount rates.

The parents of our pupils often make significant sacrifices to pay the fees. In doing so they help to relieve the state of the financial burden of educating 734 UK-based children. The saving is estimated to have a value in the last year of £5,115,980.

The College is unable to recover the VAT on purchases it makes. During the past year, Ardingly College Ltd has paid an estimated £1,189,295 in VAT on goods and services.

In addition to the very substantial benefits our College brings to our pupils, the local community and society through the education we offer, our bursary and outreach programmes create a social asset without cost to the Exchequer.

Reserves Level and Policy, and Financial Viability

It continues to be the College's policy to utilise funds to ensure that high quality, modern facilities are provided for the benefit of pupils. The aim is to budget so as to provide sufficient working capital to meet the present needs and future development strategy of the College, without being required to sell tangible fixed assets, or to use the College's readily realisable investments supporting unrestricted funds.

The Governors have invested substantial sums into new College buildings in recent years and have an ambitious programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils.

The College's total reserves of £21.1m at the year-end included £0.3m of endowed funds, £0.8m of restricted funds and £20m unrestricted funds, of which £0.6m are designated funds. The College's financial viability does not depend on income reserves but in its ability to continue to trade at a surplus

ARDINGLY COLLEGE

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

on an annual basis, and on the substantial portfolio of fixed assets held for operational use.

The Company's unrestricted reserves are primarily invested in tangible fixed assets which are all used for its direct charitable activities. The College does not have, and cannot therefore rely on, permanent liquid endowments.

Engagement with Suppliers, Customers and Others in a Business Relationship with Ardingly College

Ardingly College seeks to engage actively and positively with all stakeholders in the local community and in the wider educational landscape. Collaborative relationships with suppliers, parents, educational partners and community leaders are seen as key enablers to achieving success in all of the group's operations.

During the year the group has further promoted this engagement through specific initiatives including:

- Regular communication and engagement with parents and prospective parents of pupils attending Ardingly College to enhance the understanding of the provision to each pupil and to fully coordinate support to pupils from parents and schools.
- Engagement with other educational organisations and partners at local and national levels to share best practice and to provide peer support.
- Seeking regular communication with all suppliers and ensuring good commercial practices of prompt payment and clear communication to optimise arrangements for supply of goods and services to Ardingly College.
- Promoting and encouraging pupil and staff opportunities to engage in local voluntary and other projects to support the community.

HOW THE BOARD COMPLIES WITH SECTION 172 OF THE COMPANIES ACT

Promoting the success of the charitable group

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charitable group to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

The likely consequence of any decision in the long term

Ardingly College makes all key decisions through reference to its long-term strategic plan and after projecting the timing and impact of such decisions. This strategy is primarily designed around the objective to improve the educational outcome for pupils. Every decision and strategy or policy adopted is regularly reviewed for its impact on stakeholders, and the need for any change is identified and implemented.

The interests of the charitable group's employees

Our employees are vital to Ardingly College and we regard ongoing, regular engagement with them as a top priority. Ardingly College seeks employee engagement through regular feedback and meetings, including formal appraisals. We address any issues raised by our employees as quickly as possible and communicate back to them what we have done. Staff are offered access to support, and all parts of Ardingly College seek to ensure that staff welfare is actively considered and addressed. Through application of up-to-date health and safety policies, and regular meetings and consultations, we also actively seek to ensure that the working environment meets necessary high standards of safety and security.

The need to foster the charitable group's business relationships with suppliers, customers, and others

Our relationships with partners and suppliers are key to our effectiveness. Ardingly College actively seeks to engage in service reviews with key suppliers, and the Woodard procurement manager assists in this process for business-critical activities. These reviews are focused on a two-way relationship with Ardingly College based with an aim of helping one another to achieve an optimum service as efficiently as possible, achieving best value for money. Where Ardingly College has procured outsourced services, we seek to ensure that staff and management from that contractor are supported as an equal member of the College community, and as stakeholders.

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

The impact of the charitable group's operations on the community and the environment

We recognise our responsibility to care for the environment and aim to minimise our environmental impact in all our activities. As well as covering environmental issues in our College curriculums, Ardingly College encourages staff and pupils to participate in initiatives to reduce negative environmental impacts. The College promotes recycling of waste and is involved in actions to maximise efficiency in energy consumption.

The desirability of the group maintaining a reputation for high standards of business conduct

Our reputation and public trust in Ardingly College is fundamental to our future success. Our ethos and values are a fundamental part of employee recruitment and training to ensure that we maintain high standards; the same basis is used in appraisal processes. We apply similar values and procedures in choosing school partners and suppliers both in the UK and abroad.

As set out on page 5 within "Group Structure and Relationships" the College has developed links with a wide range of organisations to ensure the widest possible access to our facilities and education.

Through membership of HMC, IAPS, AGBIS and ISBA and by networking with peer groups we ensure that we are able to attain the highest standards of quality and performance.

Details of how the College has engaged with employees and had regard to employee interests can be found within the employment policy on page 6 and employee consultation on page 18, details of volunteer engagement can be found on page 3.

The Directors can demonstrate the promotion and success of the charity for the benefit of the stakeholders through the review of achievements and performance for the year, included within this Strategic Report. The College has continued to provide access to high quality academic education as well as pastoral and social support throughout the year. The College also plays an important role in providing activities for local community groups and access to its facilities.

The Directors are responsible for strategic planning and policymaking for the College and, accordingly, all key decisions, the current performance and future longer-term plans of the charity and stakeholders are referred to and taken by the Council. The College is governed by the governing body (Council) which delegates work to a number of committees. Membership of each committee is outlined on page 20. The Governors, who are also the directors, determine the general policy of the company.

Further information can be found in our Strategic Report and the detailed review of achievements and performance for the year.

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DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

Group Streamlined Energy and Carbon Reporting

	2022-23
Energy consumption used to calculate emissions (kWh)	7,382,598
Energy consumption break down (kWh):	
• gas	4,178,871
• oil	33,825
• electricity	1,983,787
• biomass	499,400
• transport fuel	686,715
Scope 1 emissions in metric tonnes CO2e	
Gas consumption	763
Oil consumption	8
Biomass consumption	5
Owned transport – plant & machinery	161
Total Scope 1	937
Scope 2 emissions in metric tonnes CO2e	
Purchased electricity	411
Scope 3 emissions in metric tonnes CO2e	
Business travel in employee-owned vehicles	4
Total gross emissions in metric tonnes CO2e	1,352
Intensity ratio Tonnes CO2e per pupil	1.3

Group reporting requires us to include all subsidiaries and related companies that qualify. The numbers above include all qualifying subsidiaries and related companies, being Ardingly College Limited, Ardingly Projects Limited and Ardingly College International Limited.

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the Greenhouse Gas (GHG) Reporting Protocol – Corporate Standard and the 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil.

Measures taken to improve efficiency

During the year, the College implemented a number of initiatives to improve the efficiency of energy use. These included:

- Reviews of light fittings across the campus to seek alternatives, and installation of LED lighting where possible;
- Encouraging staff, through communication and signage, to turn off lights and ensure windows and doors are closed when exiting rooms or installing motion sensors so that lighting is only on when rooms are being used;
- Replacement of old inefficient gas boilers with more efficient condensing boilers;
- Adjusting timers on lighting and heating systems to minimise the energy demand when not required or to minimise the time delays on switch off timers to minimum practical levels; and
- Initiatives through reviews of College travel plans and bus routes to encourage pupils to travel from home to College on its own provided transport and encouraging staff to car-share.

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

-
- Installation of electric vehicle charging points in Kiln Wood car park and the introduction of an electric vehicle leasing scheme for College staff.

Going forward the College is engaging in a number of projects to improve energy efficiency in future years as follows:

- Engagement with the Energy Saving Opportunities Scheme (ESOS) to identify possible areas for energy saving;
- Creation of long-term energy efficiency plans;
- Including energy efficiency as a high priority item in construction of new buildings with consideration of underfloor heating, energy controls, solar panels and battery storage;
- Ongoing review of settings and the operation of building management systems to ensure that energy use is minimised according to the need of pupils and staff;
- Installation of campus-wide building management systems to optimise energy usage;
- Replacement of diesel-powered equipment with electric items;
- Encouraging staff to use College-provided transport, public transport and bicycles as an alternative mode of transport including promotion of the Cycle to Work Scheme; and
- Encouraging staff to minimise travel and promoting the use of technology for meetings and other communications.

Financial risk management objectives and policies

The College uses financial instruments, comprising loans, cash and other liquid resources and other items such as trade debtors and creditors that arise directly from operations.

The main issues arising from the group's financial instruments are liquidity risk and interest rate risk. The College's Directors adopt policies for managing each of the risks and these are summarised below:

- Liquidity risk – the College seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs by negotiating adequate facilities from banks and other lenders.
- Interest rate risk – the College has mitigated its risk to interest rate fluctuations by agreeing one fixed rate loan and by regularly reviewing cash balances to utilise early repayment options for the variable rate loan.

GOING CONCERN

The College continues to operate at a surplus, and the subsidiary companies have returned to profit, with total net income of £1,904,300 in the year to 31 August 2023 and total funds of £21.1m. Pupil numbers are steady, and although numbers have reduced by seven year-on-year, demand remains high. Having considered all factors and reviewing the available evidence, the directors have a reasonable expectation that the group will be able to continue operating for the foreseeable future and the financial statements have been prepared on a going concern basis. Further details related to the adoption of the going concern basis can be found in the accounting policies on page 30.

EMPLOYEE CONSULTATION

The Head of the College and other members of the College leadership team meets with all staff prior to the start of each term to provide information on matters of interest/concern, including the academic and financial performance of the College and major capital projects being undertaken.

The College will be reviewing its approach to employee consultation and seeking to develop a range of straightforward and transparent internal communications channels (both formal and informal) to ensure that everyone is well informed and can have their voice heard. As part of this review, we are planning to establish a staff consultative committee with elected employee representatives from across the College as well as key members of the Leadership Team. The Staff Council will provide an opportunity for staff members to raise issues of concern or ideas for improvement of college facilities and working practices.

The College is keen to encourage employee participation in communication of matters of concern to them. On a weekly basis each of the schools hosts a meeting with staff from that school to discuss issues

ARDINGLY COLLEGE

DIRECTORS' REPORT (*incorporating the Strategic Report*) **YEAR ENDED 31ST AUGUST 2023**

affecting staff and pupils. The Operations Staff team also meets for a coffee break meeting every fortnight where key messages are shared.

Where there is any major development affecting the terms and conditions of members of staff, the College holds consultation meetings with affected employees in advance of any major change strategy in line with the communication and consultation policy.

FUTURE PLANS

Future plans are determined by the College's new strategic plan to be published in January 2024. Future plans will also be determined by the changing political and economic context in which the College operates.

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DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2023

DIRECTORS

The directors who served during the year, and the committees of which they were members during the year, are:

R Haynes Brown (Chair)		Finance & General Purposes; Estates; Education Governance & Nominations
J Armstrong	(resigned 6 October 2022)	(Boarding & Development Governor)
C Baty	(appointed 21 June 2023)	
S Bradshaw		Education
S Champkin		
G Dixon		Estates; Finance & General Purposes; Governance & Nominations. (Health & Safety Governor)
L Flynn	(appointed 21 June 2023)	
S Hay	(appointed 28 March 2023)	Finance & General Purposes
G Holmes	(appointed 21 June 2023)	
D Johnson-Poensgen	(resigned 24 April 2023)	Finance & General Purposes, Estates, Governance & Nominations. (ICT Governor)
S Kay	(resigned 11 September 2023)	(Compliance and IB Governor)
L Lindsay		Education, Finance & General Purposes, Governance & Nominations. (Safeguarding Governor)
J Martin		Finance & General Purposes. (IB & Careers Governor)
R Martin		Estates
K Sweeney	(resigned 17 March 2023)	
C Zanna	(appointed 21 June 2023)	

None of the directors has any beneficial interest in the company. Ardingly College purchases trustees and officers insurance on behalf of the directors.

Exemptions from disclosure

Ardingly College has not taken advantage of any exemption from disclosure in relation to trustee details.

AUDITOR

RSM UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2023

DIRECTORS RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the directors 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the company and group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors of Ardingly College Limited on 28th November 2023 including, in their capacity as company directors, approving the Directors' and Strategic Reports contained therein, and signed on its behalf by:



Robert Haynes Brown
CHAIR

ARDINGLY COLLEGE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARDINGLY COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2023

Opinion

We have audited the financial statements of Ardingly College (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise the Consolidated and Charity Statements of Financial Activities (incorporating an Income and Expenditure Account), the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statements 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 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 group's and the parent charitable company's affairs as at 31 August 2023 and of the group's 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 requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 group's or parent 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 other information comprises the information included in the Directors' report (incorporating the Strategic Report) other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Directors' report (incorporating the Strategic Report). 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

ARDINGLY COLLEGE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARDINGLY COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2023

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 Directors' Report which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report, included within the Directors' Report have 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 Statement of Trustees' responsibilities set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent 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 group or parent charitable company 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ARDINGLY COLLEGE LIMITED
YEAR ENDED 31ST AUGUST 2023**

and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities

The group audit engagement team identified the risk of management override of controls and the risk of revenue recognition for non-fee income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and testing a sample of revenue transactions to supporting evidence.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

ARDINGLY COLLEGE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARDINGLY COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2023

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.

RSM UK Audit LLP.

Zoe Longstaff-Tyrrell (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Portland, 25 High Street

Crawley

RH10 1BG

Date *14 December 2023.*

ARDINGLY COLLEGE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) YEAR ENDED 31ST AUGUST 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total 2023 £	Total 2022 £
Income and endowments from:						
Charitable Activities						
School fees receivable	2	26,074,541	-	-	26,074,541	23,907,324
Ancillary trading income	3	1,102,014	-	-	1,102,014	1,171,220
Other trading activities						
Non-ancillary trading income	4	2,100,939	-	-	2,100,939	1,197,482
Investments						
Bank and other interest	5	5,955	18,384	-	24,339	13,149
Other – Grants and donations						
Grants and donations	6	148,392	91,563	-	239,955	99,730
Other incoming resources		4,450	-	-	4,450	-
TOTAL INCOMING RESOURCES	26	29,436,291	109,947	-	29,546,238	26,388,905
Expenditure on:						
Raising funds						
Non-ancillary trading	7	1,318,375	-	-	1,318,375	1,164,312
Financing costs	8	464,103	-	-	464,103	549,208
Fundraising and development		154,853	-	-	154,853	125,221
TOTAL DEDUCTIBLE COSTS		1,937,331	-	-	1,937,331	1,838,741
Charitable Activities						
Education and grant making	7	25,555,135	142,283	-	25,697,418	23,680,520
TOTAL EXPENDITURE		27,492,466	142,283	-	27,634,749	25,519,261
Net gains/(losses) on investment assets	13	29,405	-	(594)	28,811	(108,293)
Net income/(expenditure)		1,973,230	(32,336)	(594)	1,940,300	761,351
Transfers between funds	23	-	-	-	-	-
Other recognised gains/(losses)						
Pension scheme actuarial (losses)/gains	25	-	-	-	-	1,211,000
Net Movement in funds for the year		1,973,230	(32,336)	(594)	1,940,300	1,972,351
Fund balances at 1st September		18,088,399	824,396	271,955	19,184,750	17,212,399
FUND BALANCES AS AT 31ST AUGUST		20,061,629	792,060	271,361	21,125,050	19,184,750

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The notes on pages 30 to 56 form part of these financial statements.

ARDINGLY COLLEGE LIMITED

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) YEAR ENDED 31ST AUGUST 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total 2023 £	Total 2022 £
Income and endowments from:						
Charitable Activities						
School fees receivable	2	26,074,541	-	-	26,074,541	23,907,324
Ancillary trading income	3	1,117,514	-	-	1,117,514	1,186,720
Other trading activities						
Non-ancillary trading income	4	244,939	-	-	244,939	228,815
Investments						
Bank and other interest	5	5,237	18,384	-	23,621	13,132
Other – Grants and donations						
Grants and donations	6	148,392	91,563	-	239,955	99,730
Other incoming resources		4,450	-	-	4,450	
TOTAL INCOMING RESOURCES	26	27,595,073	109,947	-	27,705,020	25,435,721
Expenditure on:						
Raising funds						
Non-ancillary trading	7	-	-	-	-	-
Other income generating activities		-	-	-	-	-
Financing costs	8	455,361	-	-	455,361	538,993
Investment management		-	-	-	-	-
Fundraising and development		154,853	-	-	154,853	125,221
TOTAL DEDUCTIBLE COSTS		610,214	-	-	610,214	664,214
Charitable Activities						
Education and grant making	7	25,552,515	142,283	-	25,694,798	23,678,347
TOTAL EXPENDITURE		26,162,729	142,283	-	26,305,012	24,342,561
Net gains/(losses) on investment assets	13	29,405	-	(594)	28,811	(108,293)
Net income/(expenditure)		1,461,749	(32,336)	(594)	1,428,819	984,867
Transfers between funds	23	-	-	-	-	-
Other recognised gains/(losses)						
Pension scheme actuarial (losses)/gains	25	-	-	-	-	1,211,000
Net Movement in funds for the year		1,461,749	(32,336)	(594)	1,428,819	2,195,867
Fund balances at 1st September		19,034,445	824,396	271,955	20,130,796	17,934,929
FUND BALANCES AS AT 31ST AUGUST		20,496,194	792,060	271,361	21,559,615	20,130,796

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The notes on pages 30 to 56 form part of these financial statements.

ARDINGLY COLLEGE LIMITED

CONSOLIDATED AND CHARITY BALANCE SHEETS AS AT 31ST AUGUST 2023

	Note	Group 2023 £	2022 £	Charity 2023 £	2022 £
FIXED ASSETS					
Tangible assets	12	29,344,327	30,551,067	29,344,327	30,551,067
Investments	13	1,219,244	1,115,433	1,219,244	1,115,433
Investment in subsidiaries		-	-	3	3
		30,563,571	31,666,500	30,563,574	31,666,503
CURRENT ASSETS					
Stock		75,924	67,636	63,456	57,158
Debtors	14	561,915	840,839	1,050,051	1,838,142
Cash at bank and in hand		4,561,953	5,171,135	4,400,551	5,033,643
		5,199,792	6,079,610	5,514,058	6,928,943
CURRENT LIABILITIES					
Creditors payable within one year	15	(6,269,077)	(10,805,199)	(6,148,781)	(10,708,489)
NET CURRENT ASSETS/(LIABILITIES)		(1,069,285)	(4,725,589)	(634,723)	(3,779,546)
TOTAL ASSETS LESS CURRENT LIABILITIES		29,494,286	26,940,911	29,928,851	27,886,957
LONG TERM LIABILITIES					
Creditors payable after one year	16	(8,369,136)	(7,756,061)	(8,369,136)	(7,756,061)
TOTAL NET ASSETS EXCLUDING PENSION LIABILITY		21,125,150	19,184,850	21,559,715	20,130,896
NET ASSETS		21,125,150	19,184,850	21,559,715	20,130,896
REPRESENTED BY: CALLED UP SHARE CAPITAL	20	100	100	100	100
ENDOWED FUNDS	21	271,361	271,955	271,361	271,955
RESTRICTED FUNDS	21	792,060	824,396	792,060	824,396
UNRESTRICTED FUNDS					
General reserve	21	20,061,629	18,088,399	20,496,194	19,034,445
Pension reserve	25	-	-	-	-
		21,125,150	19,184,850	21,559,715	20,130,896

The financial statements were approved and authorised for issue by the Board on 28th November 2023 and signed on its behalf by



Robert Haynes Brown
CHAIR

Company registration number 03779971

The notes on pages 30 to 56 form part of these financial statements.

ARDINGLY COLLEGE LIMITED

CONSOLIDATED CASH FLOW STATEMENT AS AT 31ST AUGUST 2023

	Notes	2023 £'000	2022 £'000
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	26	5,096,005	4,582,971
Cash flows from investing activities:			
Dividends, interest and rents from investments		24,339	13,149
Proceeds from the sale of property, plant and equipment		4,450	-
Purchase of property, plant and equipment		(975,788)	(3,998,797)
Proceeds from sale of investments		-	-
Purchase of investments		(75,000)	-
Net cash provided by (used in) investing activities		(1,021,999)	(3,985,648)
Cash flows from financing activities:			
Repayments of borrowing		(4,219,085)	(206,690)
Cash inflows from new borrowing		-	1,107,092
Financing costs		(464,103)	(549,208)
Net cash provided by (used in) financing activities		(4,683,188)	351,194
Change in cash and cash equivalents in the year		(609,182)	948,517
Cash and cash equivalents at the beginning of the year		5,171,135	4,222,618
Cash and cash equivalents at the end of the year	27	4,561,953	5,171,135

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

1. ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the year and in the preceding year are:

a) Basis of Accounting

The accounts of the group have been prepared under the Companies Act 2006 and in accordance with the Statement of Recommended Practice for Charities ('SORP (FRS102)') and with applicable UK Accounting Standards. They are drawn up on the historical cost accounting basis except that property and share investments held as fixed assets are carried at fair value.

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

The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Further details are provided in note 33, and in the accounting policies for depreciation of fixed assets, for pensions and for bad debts. The financial statements are presented in sterling (£) and the functional currency is sterling (£).

b) Going Concern

The accounts have been prepared on a going concern basis. The Ardingly College Board reviews the financial information for the company and the group and considers whether the group and company are a going concern for a period of at least 12 months from the date of approval of the accounts.

Having considered all factors and reviewing the available evidence, the directors have a reasonable expectation that the group will be able to continue operating for the foreseeable future and the financial statements have been prepared on a going concern basis.

c) Group Accounts

The financial statements consolidate the financial statements of the company, and all its subsidiary companies, charitable trusts and funds with all inter-company balances being eliminated. Entities are consolidated where Ardingly College exercises overall control either through ownership of shares, or through having common trustees with a common objective. Accounting policies are consistently applied between group companies.

d) School Fees Receivable and Similar Income

Fees receivable and other educational income are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions by the school, but include contributions received from restricted funds for scholarships, bursaries and other grants. Fees in Advance Scheme Contracts are those fees received in advance of education to be provided in future years under a specific contract. The fees are either held as investments in interest bearing assets until taken to income to match liabilities in the term when used, or refunded, or they are held within the unrestricted reserves of the College. Any surplus of assets over liabilities is held within the fund as a buffer. Debts are provided for if not recovered within one term. Estimating amounts to provide against recovery of debts is a matter of judgement.

e) Ancillary and Non-Ancillary Trading Income

Ancillary trading income represents amounts from activities to generate funds within the charitable objects, for example College shop sales, coaches to and from campus and College trips. Non-ancillary trading income represents amounts from activities not directly related to the charitable objects, for example lettings of College facilities out of term time and rental from vacant College buildings. Income from these activities is recognised in the Statement of

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

Financial Activities when the goods are sold or services provided.

f) Voluntary sources, Grants and Donations

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can reliably be quantified, and the economic benefit is considered probable.

Voluntary income for general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the College in case of donated services or facilities.

g) Coronavirus Job Retention Scheme (CJRS) Income

The CJRS grant is receivable as compensation for staff costs incurred and for the purpose of giving immediate financial support to the organisation with no future related costs. It is recognised as income in the period in which it becomes receivable within 'Other – Grants and Donations' (note 7).

h) Expenditure

Expenditure is accrued as soon as there is a contractual obligation or a liability is considered probable, discounted to present value for longer term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates. Bad debts are provided for in accordance with the group bad debt policy. The cost of refurbishing and converting existing buildings is written-off in the year in which it is incurred except where the useful life has been extended.

i) Finance and Other Costs

Other costs include amounts accrued in accordance with the terms of Fees in Advance Scheme Contracts.

j) Pension Costs

Following a consultation with teaching staff, the College withdrew from the Teachers' Pension Scheme on 1st January 2021 and all teaching staff were enrolled in the Aviva Pension Trust for Independent Schools (APTIS); a defined contribution scheme.

The College also has a closed defined benefits scheme for non-teaching staff. Contributions to the Scheme are made in accordance with the recommendations of independent actuaries and are charged to the Statement of Financial Activities as they are incurred. In addition, under the provisions of FRS102, the actuarial liability of the Scheme is reviewed annually and provision is made for any actuarial deficit arising.

The assets of the Scheme are held separately from the company in an independently administered fund. Contributions to the defined contribution scheme are charged to the Statement of Financial Activities as they are incurred. The company recognises a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises. Further detail is in note 25.

k) Tangible Fixed Assets and Depreciation

In accordance with Section 35.10 (d) of FRS102, Ardingly College has elected to use the carrying value of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost at the date of transition to FRS102, 1 September 2014.

Tangible fixed assets are stated at cost less depreciation. Individual capital items, or projects, with a value greater than £10,000 are capitalised. Assets in the course of construction are stated at cost less any provision for impairment. They are transferred to completed assets when substantially all of the activities necessary to get the asset ready for use are complete. Where appropriate cost includes our own labour costs in relation to construction, and directly attributable overheads.

Where tangible fixed assets have been acquired with the aid of specific grants they are included

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

in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset based on current market prices, over its expected useful life, as follows:

Freehold Buildings:	- Variable according to the building and written off over the expected useful life (see paragraph below)
Freehold improvements	- Over the useful economic life of the improvement
Leasehold land and buildings	- Over the shorter of the economic life of the asset or the life of the lease
Leasehold enhancements	- Over the shorter of the economic life of the asset or the life of the lease
Fixtures, fittings and equipment	- between 5% and 25% on cost
Computer equipment	- 25% on cost
Motor vehicles	- 25% on cost.

Freehold land is not depreciated.

The company has reviewed its tangible assets, which comprise land, buildings and initial fixtures and fittings. The company undertakes an annual review of all buildings assessing their useful economic life. In some cases the useful economic life of a building is anticipated to be of considerable length, often in excess of 100 years. The buildings are capitalised in the financial statements at historic cost. Where the calculated depreciation charge is a material figure, it is charged in these financial statements but, where the carrying value is not more than the estimated recoverable amount and the depreciation on the building is not material to these financial statements, it has been assessed, but not charged on the basis that it is not material. The directors will continue to carry out annual assessments of the recoverable amount and the estimated useful life of all buildings and where the depreciation is a material value, it will be charged. The review is based on the directors' assessments of the market value and the future economic benefit derived from an asset versus its carrying value in the financial statements.

When the company undertakes a significant refurbishment project that will have an economic benefit, the cost of the refurbishment is capitalised, recorded separately under 'Freehold Improvements', its useful life is estimated and it is depreciated over that useful life.

No depreciation is provided for in respect of investment properties in accordance with Section 16 of FRS102. Such properties are held for their investment potential and not for consumption within the business. Investment properties are stated at their fair value at the balance sheet date.

Ardingly College exercises judgement in selection of appropriate rates for depreciation of fixed assets, and for matters of impairment.

l) Financial Instruments

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

m) Investments and Fees in Advance Investments

Investments and Fees in Advance investments are carried at fair value, which is deemed to be market value as at the balance sheet date.

Realised and unrealised investment gains and losses are recognised as 'net gains/(losses) on investment assets' in the Statement of Financial Activities and are allocated to the appropriate fund according to the 'ownership' of the underlying assets.

n) Stocks

Stocks comprise raw materials, consumable stores and goods held for resale: they are valued

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

at the lower of cost and net realisable value.

o) Leasing Commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives or the period of the lease whichever is the shorter. The interest element of the obligations is charged to the Statement of Financial Activities over the period of the lease. Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the lease term. Lease incentives are accounted for over the lease term on a straight-line basis.

p) Fee Deposits

Refundable fee deposits are currently classified between long term and short term in the financial statements. These deposits are refundable in the event that the pupils leave a school on one term's notice and as such the deposit would be refunded to the parents at that point. However, the financial statements are prepared on a going concern basis and it is assumed that the majority of children will remain in school for their full years of education and therefore the deposit will be refunded to them when they leave College.

Short term deposits reflect those pupils that will be leaving a school within one year, and the longer-term element reflects those pupils that will be leaving a school after 12 months from the balance sheet date.

q) Fund Accounts

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity. Endowment funds are further sub-divided into permanent and expendable, where required by the terms of the trust.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Designated funds comprise funds which have been set aside at the discretion of the directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

r) Taxation

Ardingly College is a registered charity and as such is exempt from income tax and corporation tax under the provisions of Section 478 of the Corporation Tax Act 2010. There is no similar exemption for VAT, which is included in expenditure or in the cost of assets as appropriate.

The College has two subsidiary companies that are subject to taxes including corporation tax and VAT in the same way as any commercial organisation. The tax charged to the profit and loss account is based on the subsidiary company's profit for the year and takes into account tax arising because of timing differences between the treatment of certain items for tax and accounting purposes.

The subsidiary company distributes the majority of its profits to Ardingly College under Gift Aid and tax liabilities are kept to a minimum.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

2. CHARITABLE ACTIVITIES - SCHOOL FEES RECEIVABLE

	2023 £	2022 £
The school fees income comprises		
Gross fees	28,690,006	26,454,556
Less: Total scholarships, bursaries, etc	(2,623,465)	(2,555,232)
Add back: Scholarships, Grants etc paid for by Restricted Funds	8,000	8,000
	26,074,541	23,907,324

Scholarships, bursaries and other awards were paid to 260 pupils (2022: 272 pupils). Within this, means-tested bursaries totalling £434,609 were paid to 29 pupils (2022: £533,432 to 42 pupils)

3. CHARITABLE ACTIVITIES – ANCILLARY TRADING INCOME

	2023 £	2022 £
Extras	595,516	608,337
Entrance fees and registration fees	97,881	88,461
Pupil transport	182,519	124,105
Commissions and related income	35,532	48,554
Sundry other income	190,566	301,763
	1,102,014	1,171,220

4. OTHER TRADING ACTIVITIES

	2023 £	2022 £
Non-ancillary trading income		
Ardingly Projects Limited trading turnover	1,689,974	1,007,774
Ardingly College International Limited trading turnover	292,633	87,500
Rents receivable	113,855	95,879
Interest receivable – pupil bills	4,477	6,329
	2,100,939	1,197,482

Ardingly Projects Limited trading turnover includes £1,494,119 of lettings income (2022: £859,731).

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

5. INVESTMENTS - BANK AND OTHER INTEREST RECEIVABLE

	Unrestricted	Restricted	Endowed	Total 2023 £	Total 2022 £
Bank interest	717	-	-	717	17
Other interest	5,238	18,384	-	23,622	13,132
	<u>5,955</u>	<u>18,384</u>	<u>-</u>	<u>24,339</u>	<u>13,149</u>

6. OTHER - GRANTS AND DONATIONS

	Unrestricted	Restricted	Endowed	Total 2023 £	Total 2022 £
Sundry bequests and donations	148,392	91,563	-	239,955	99,730
	<u>148,392</u>	<u>91,563</u>	<u>-</u>	<u>239,955</u>	<u>99,730</u>

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

7. ANALYSIS OF EXPENDITURE

a) Total expenditure

	Staff costs (note 9) £	Support costs £	Depreciation (Note 12) £	Total 2023 £	Total 2022 £
Costs of raising funds					
Non ancillary trading	696,473	621,902	-	1,318,375	1,164,312
Other income generating activities	-	-	-	-	-
Financing cost (note 8)	-	464,103	-	464,103	549,208
Investment management	-	-	-	-	-
Fundraising and development	116,783	38,070	-	154,853	125,221
Total cost of generating funds	813,256	1,124,075	-	1,937,331	1,838,741
Charitable expenditure					
Teaching	11,855,248	1,218,802	353,898	13,427,948	12,655,973
Welfare	1,646,536	1,740,979	1,683,160	5,070,675	4,547,744
Premises	1,553,144	2,586,710	57,798	4,197,652	3,992,074
School administration	1,405,572	1,423,521	87,672	2,916,765	2,418,088
Grants awards and prizes (note 7b)	-	22,265	-	22,265	23,995
Governance	-	62,113	-	62,113	42,646
Education and grant making	16,460,500	7,054,390	2,182,528	25,697,418	23,680,520
Total Expenditure	17,273,756	8,178,465	2,182,528	27,634,749	25,519,261

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

7. ANALYSIS OF EXPENDITURE (Continued)

b) Grants, awards and prizes

Ardingly College makes awards to individual families to support education.

	2023 £	2022 £
From Restricted Funds:		
Prizes and leaving awards	22,265	21,600
From Unrestricted Funds:		
Prizes and leaving awards	-	2,395
	22,265	23,995

c) Total resources expended include:

Ardingly College reimburses governors for out-of-pocket expenses including travel subsistence and accommodation, where a claim is made. No claims were made and no governors were reimbursed during the year (2022: none).

	2023 £	2022 £
Remuneration paid to auditor for audit services	49,795	31,490
Remuneration paid to auditor for non-audit services	6,900	-
Depreciation of tangible fixed assets:		
- owned by the Charitable Company	2,182,528	2,163,130
(Profit)/loss on disposal of fixed assets	(4,450)	-
Operating lease rentals:		
- other assets	85,845	92,325
Cost of stock/inventories recognised as an expense in the period	1,131,950	1,013,351

8. FINANCING COSTS

	2023 £	2022 £
Bank interest payable	474,129	393,588
Bank charges	48,089	45,788
Other finance costs	5,953	5,279
Provision for bad and doubtful debts	(64,068)	104,553
	464,103	549,208

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

9. STAFF COSTS

	2023 £	2022 £
The aggregate payroll costs for the year were:		
Wages and salaries	15,219,588	14,001,494
Social security costs	1,297,961	1,240,670
Other pension costs	753,780	674,760
Termination payments	83,444	178,370
	17,273,756	16,095,294

Included in staff costs are redundancy or termination payments totalling £83,444 (2022: £178,370).
The amount outstanding at the year-end was £51,000 (2022: £nil).

None of the governors received remuneration or other benefits from Ardingly College or from any connected body.

The Head and COO are classed by the College as being the Key Management Personnel.

	2023 £	2022 £
Aggregate employee benefits of key management personnel	437,476	642,780

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

	2023 No	2022 No
£60,001 - £70,000	11	10
£70,001 - £80,000	2	3
£80,001 - £90,000	1	-
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1
£110,001 - £120,000	-	-
£120,001 - £130,000	-	-
£130,001 - £140,000	-	-
£140,001 - £150,000	-	-
£150,001 - £160,000	-	-
£160,001 - £170,000	-	-
£170,001 - £180,000	-	-
£180,001 - £190,000	-	-
£190,001 - £200,000	-	-
£200,001 - £210,000	-	-
£210,001 - £220,000	-	-
£220,001 - £230,000	-	-
£230,001 - £240,000	-	1
£240,001 - £250,000	1	-

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

9. STAFF COSTS (Continued)

The average number of employees during the year calculated on a head count basis, was 473
(2022: 459)

	2023 No	2022 No
Teaching	155	151
Welfare	115	111
Premises	45	44
Support	85	78
Other activities	74	75
	<u>473</u>	<u>459</u>

10. DIRECTORS

None of the directors (or any persons connected with them) received any remuneration during the year.
No scholarships were awarded to children of directors attending the College (2022: £3,778).

During the year, no directors (2022: nil) received reimbursement of travel and training expenses.

11. TAXATION

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

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

12. TANGIBLE FIXED ASSETS

Group and company	Freehold Land & Buildings £	Freehold Improvements £	Leasehold Land & Buildings £	Assets Under Construction £	Plant & Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost								
At 1 st September 2022	26,771,487	4,186,527	-	2,485,775	7,415,934	2,545,108	376,084	43,780,915
Additions	-	430,739	-	218,571	201,195	5,715	119,568	975,788
Disposals	-	-	-	-	(6,299)	-	-	(6,299)
Transfers	47,186	2,161,304	-	(2,232,944)	22,474	1,980	-	-
At 31st August 2023	26,818,673	6,778,570	-	471,402	7,633,304	2,552,803	495,652	44,750,404
Depreciation								
At 1 st September 2022	4,987,356	768,821	-	-	5,343,245	1,832,515	297,911	13,229,848
Charge for the year	852,637	358,368	-	-	491,225	438,870	41,428	2,182,528
Disposals	-	-	-	-	(6,299)	-	-	(6,299)
At 31st August 2023	5,839,993	1,127,189	-	-	5,828,171	2,271,385	339,339	15,406,077
Net book value at 31st August 2023	20,978,680	5,651,381	-	471,402	1,805,133	281,418	156,313	29,344,327
Net book value at 31 st August 2022	21,784,131	3,417,706	-	2,485,775	2,072,689	712,593	78,173	30,551,067

All assets are used for charitable purposes.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

13. INVESTMENTS

	Investments 2023 £	2022 £
Group investments		
At 1 September	1,115,433	1,223,726
Unrealised gains/(losses) on investments	28,811	(108,293)
Movement in uninvested cash	75,000	-
Group investments at 31 August	1,219,244	1,115,433
Investment in subsidiaries	3	3
Company investments at 31 August	1,219,247	1,115,436
Investments comprise:		
Listed investments		
Multi-asset funds	1,125,939	1,115,433
Cash	93,305	-
Group investments at 31 August	1,219,244	1,115,433
Investment in subsidiaries	3	3
Company investments at 31 August	1,219,247	1,115,436

Ardingly College owns all of the share capital of Ardingly Projects Limited, a company incorporated in England/Wales and Ardingly College International Limited, a company incorporated in England/Wales. Further details are provided in note 29.

In addition to the above investments, cash balances within the Fees in Advance Scheme are included in current assets as cash deposits.

The main investments are held on behalf of Ardingly College by Hargreaves Lansdown. All investments are managed in the UK.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

14. DEBTORS

	Group 2023 £	2022 £	Company 2023 £	2022 £
School fees receivable	54,495	146,275	54,495	146,275
Trade debtors	77,865	263,757	-	7,155
Other debtors	22,326	123,874	22,326	123,874
Prepayments and accrued income	403,789	306,933	410,313	308,441
Tax recoverable	3,440	-	3,342	-
Amounts due from subsidiary company	-	-	559,575	1,252,397
	561,915	840,839	1,050,051	1,322,012

School fees receivable are net of £230,700 (2022: £327,299) provided for doubtful debts.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

15. CREDITORS: amounts falling due within one year

	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans and overdrafts (note 17)	232,233	4,219,084	232,233	4,219,084
Deposits from parents	603,537	807,505	603,537	807,505
Fees received from parents in advance of term	3,657,866	3,201,036	3,657,866	3,201,036
Trade creditors	623,932	651,255	559,539	633,505
Taxation and social security	1,487	408,373	-	392,179
Other creditors	159,644	158,126	161,256	150,265
Fees in Advance Scheme (note 18)	272,410	136,311	272,410	136,311
Accruals	678,369	1,207,197	661,940	1,168,604
Deferred income	39,599	16,312	-	-
	6,269,077	10,805,199	6,148,781	10,708,489

Summary of movements in deferred income

	£
Balance at 1 September 2022	16,312
Amounts arising in the year	39,599
Amounts transferred to SOFA	(16,312)
Balance at 31 August 2023	39,599

Deferred income arises due to invoices for the Swim School run by Ardingly Projects being raised and issued in the academic term prior to the lessons taking place in the next financial year.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

16. CREDITORS: amounts falling due after one year

	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans and overdrafts (note 17)	5,044,117	5,276,351	5,044,117	5,276,351
Other loans				
Deposits from parents	2,849,286	2,373,245	2,849,286	2,373,245
Other creditors		-		
Fees in Advance Scheme (note 18)	475,733	106,465	475,733	106,465
	<u>8,369,136</u>	<u>7,756,061</u>	<u>8,369,136</u>	<u>7,756,061</u>

Parents pay to the College a deposit of £2,000 or, in the case of parents living overseas, a sum equal to one term's fees in advance. The money may be returned, subject to specific conditions, on the receipt of a full term's notice. £1,000 of the deposit is applied against the first term's fees, then, assuming that the pupil remains in the school, (which the vast majority do based on historical information), refundable deposits will be applied against the final term's bill.

17. BANK LOAN

	2023 £	2022 £
The bank loan is repayable in instalments		
Due after 5 years	3,968,682	4,261,197
Due within 2 to 5 years	828,569	782,920
Due within 1 to 2 years	<u>246,866</u>	<u>232,234</u>
Due after more than one year	5,044,117	5,276,351
Due within 1 year	<u>232,233</u>	<u>4,219,084</u>
	<u>5,276,350</u>	<u>9,495,435</u>

Ardingly College has an existing bank loan from Lloyds Bank Plc. The loan is secured against the College campus at a rate of interest of 5.845% over base rate and is repayable over a term of 25 years.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

18. FEES IN ADVANCE SCHEME

Parents and others may enter into a contract to pay for fixed contributions towards pupil tuition fees for a number of years in advance. The money may be returned subject to specific conditions on the receipt of notice. Assuming pupils remain in the school, fees in advance will be applied as follows:

	2023 £	2022 £
After 5 years	61,695	-
Within 2 to 5 years	216,808	54,553
Within 1 to 2 years	197,230	51,912
Due after more than one year	475,733	106,465
Within 1 year	272,410	136,311
	748,143	242,776
Summary of movements in liability		£
Balance at 1 September 2022		242,776
New contracts		644,466
Repayments		-
Amounts used to pay fees		(145,051)
Amount accrued to contract as debt financing cost		5,952
Balance at 31 August 2023		748,143

19. COMMITMENTS UNDER OPERATING LEASES

The future minimum commitments under non-cancellable operating leases are:

	Other 2023 £	2022 £
Within 1 year	83,566	85,845
Within 1 to 5 years	23,674	107,241
After 5 years		
	107,240	193,086

20. SHARE CAPITAL

	2023 £	2022 £
Authorised		
100 Ordinary Shares of £1 each	100	100
Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	100	100

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

21. FUNDS

Ardingly College's funds are analysed under the following headings:

a) ENDOWED FUNDS

The endowed funds of the Charity are funds set up by donors as permanent capital. The income generated is restricted to funding bursaries, grants and prizes.

b) RESTRICTED FUNDS**Special Trust Funds**

These represent current gifts, donations and legacies etc. from external donors for specific purposes where there is no requirement to preserve capital. Expenditure directly financed by such gifts is shown under restricted funds.

At 31 August 2023, these were:

	£
Bursary Funds	576,790
Bursary & Prize Fund	102,880
Student Hardship Fund	59,865
Strength & Conditioning Centre	24,763
College campus projects	22,222
Music projects	5,340
Outreach & overseas fundraising	200
	<u>792,060</u>

Bursary Funds: These comprise the funds received from the liquidation of the Woodard Schools (Southern Division) Benefit Fund in 2019, along with other gifts received in support of our bursary programme either generally or for specific pupils. Ardingly College is holding these as a bursary fund to provide both transformational and means-tested grants to support the education of pupils at Ardingly.

Bursary & Prize Fund: Rental income received from the endowed property and interest earned on a CCLA bank account are held to fund prizes awarded to students.

Student Hardship Fund: This is held to provide support for bursary-funded students to take part in overseas trips as part of their education. Students can apply for assistance with one trip throughout their education at Ardingly.

Strength & Conditioning Centre: This fund is held to match the annual depreciation charge on the gym building and equipment.

College campus projects: Donations held to fund specific items and projects around the College campus, including planting projects and grounds work.

Music projects: A donation was received in the year to contribute towards the Choir tour to Jersey and this fund continues to provide musical instruments and other equipment for the music school.

Outreach & overseas fundraising: Donations towards the continuation of the Mwega lunchbox programme started last year.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

c) UNRESTRICTED FUNDS

Unrestricted funds represent accumulated income from the College's activities and other sources that are available for the general purposes of the College.

At 31 August 2023, these were:

	£
Specific Development Campaigns	618,169
Drake Fund	1,441,438
Composition Fee Schemes	748,143
General Reserve	17,688,444
	<hr/>
	20,496,194
	<hr/>

Specific Development Campaigns: This comprises funds from regular giving and legacy donations which have been designated for particular projects and initiatives. The major components of this are:

Greatest Need	£378,548
General Bursary	£156,922
Science Projects	£ 26,302
Solar Car	£ 19,153
Capital Projects	£ 16,680

Greatest Need: Funds are held to be used towards causes which are considered by the Board to be the greatest priority and will generally contribute towards our bursary programme.

Drake Fund: This fund is formed from a generous legacy donation. Income generated from the fund will be used to fund bursaries.

Composition Fee Schemes: This comprises day and boarding fees paid in advance and is applied to the individual fee accounts as they fall due.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Restricted £	Endowed £	Total 2023 £	Total 2022 £
Tangible fixed assets	29,054,914	-	289,413	29,344,327	30,551,067
Investments	1,210,279	-	8,965	1,219,244	1,115,433
Property investments					
Fees in Advance	272,410	-	-	272,410	136,311
Scheme investments					
Net current (liabilities)/assets	(2,106,738)	792,060	(27,017)	(1,341,695)	(4,862,000)
Long term liabilities	(8,844,869)	-	475,733	(8,369,136)	(7,756,061)
	<u>19,585,996</u>	<u>792,060</u>	<u>(271,361)</u>	<u>21,125,150</u>	<u>19,184,750</u>

	Unrestricted £	Restricted £	Endowed £	Total 2022 £	Total 2021 £
Tangible fixed assets	30,261,654	-	289,413	30,551,067	28,715,400
Securities investments	1,105,874	-	9,559	1,115,433	1,223,726
Advance fees contracts	136,311	-	-	136,311	411,779
Net current (liabilities)/assets	(5,659,379)	824,396	(27,017)	(4,862,000)	(1,102,064)
Long term liabilities	(7,756,061)	-	-	(7,756,061)	(10,764,342)
Net pension liability	-	-	-	-	(1,272,000)
	<u>18,088,399</u>	<u>824,396</u>	<u>271,955</u>	<u>19,184,750</u>	<u>17,212,499</u>

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

23. SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	At 1 Sept 2022 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	At 31 August 2023 £
Endowed – Permanent						
Property	283,572	-	-	-	-	283,572
Shares	9,559	-	-	-	(594)	8,965
Revaluation Reserve	(21,176)	-	-	-	-	(21,176)
Total Endowment	271,955	-	-	-	(594)	271,361
Restricted Funds						
Bursary funds	584,790	-	(8,000)	-	-	576,790
Ardingly College Prize & Donation fund	108,056	17,089	(22,265)	-	-	102,880
Strength & Conditioning Centre	24,762	-	-	-	-	24,762
Student hardship	58,120	1,745	-	-	-	59,865
Solar car & STEM bus	32,384	42,000	(74,384)	-	-	-
College campus projects	12,324	35,412	(25,514)	-	-	22,222
Music projects	5,000	10,861	(10,520)	-	-	5,340
Outreach	(1,040)	1,240	-	-	-	200
Sloane Lectures	-	1,600	(1,600)	-	-	-
	824,396	109,947	(142,283)	-	-	792,060
Unrestricted Funds						
Specific development campaigns	515,815	148,392	(46,038)	-	-	618,169
Drake fund	1,412,033	-	-	-	29,405	1,441,438
Composition fee schemes	242,776	644,466	(139,099)	-	-	748,143
General Reserve	16,863,818	27,498,363	(26,673,740)	-	-	17,688,441
Pension Reserve	-	-	-	-	-	-
Trading subsidiary	(946,043)	1,145,070	(633,589)	-	-	(434,562)
	18,088,399	29,436,291	(27,492,466)	-	29,405	20,061,629
Total Funds	19,184,750	29,546,238	(27,634,749)	-	28,811	21,125,050

Note 21 provides details of the individual funds.

24. CAPITAL COMMITMENTS

At 31 August 2023, the group had capital commitments as follows:

	2023 £	2022 £
Expenditure contracted for but not provided in the accounts	-	-

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

25. PENSION SCHEMES

Teaching Staff

Teaching staff are enrolled in the Aviva Pensions Trust for Independent Schools, a defined contribution scheme.

Operations Staff

Operations staff are enrolled in the Ardingly College Group Personal Pension, a defined contribution scheme operated by AEGON.

Ardingly College Retirement Benefit Scheme

(A final salary pension scheme for Operations staff employed before 2001)

Ardingly College (the Employer) operates a final salary pension scheme, the Ardingly College Retirement Benefits Scheme (the Scheme). The Scheme is a Registered Pension Scheme under Chapter 2 of Part IV of the Finance Act 2004. The Scheme is closed to new members.

Composition of the Scheme

A full FRS102 valuation was carried out for the Ardingly College Retirement Benefit Scheme as at 31 August 2023 by a qualified independent actuary. The assets of the scheme are held separately from those of the Employer. The major assumptions used by the actuary to value the assets and liabilities at the balance sheet date are:

	2023	2022
Inflation assumption (RPI)	3.4%	3.8%
Rate of increase in salaries	4.4%	4.8%
The assumed rate of increase to pensions in deferment	3.4%	3.8%
The assumed rate of interest to pensions in payment	3.3%	3.6%
Assumed rate used to discount scheme liabilities	5.1%	4.2%
Average life expectancy	88.3	88.8

The life expectancy shown is the average of the figures for men and women aged 45 and 65 at the effective date

Assumptions

The assumptions have been determined as follows:

- the discount rate is based on a yield curve constructed from the iBoxx sterling AA Corporate Bond Index at the effective date, at the duration of the liabilities;
- the rate of increase in the Retail Price Index (RPI) is derived from the difference in the yields on fixed and index-linked UK government bonds (gilts) at the effective date published by the Bank of England.
- future pay increases are assumed to be in line with the increase in the Retail Price Index plus 1% per annum.
- demographic assumptions are those considered appropriate for our scheme by the actuary.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

Assets and Liabilities at each year end in accordance with FRS102 were:

	2023	2022
	£	£
Total market value of assets	3,142,000	3,194,000
Restriction on asset balance	(791,000)	(283,000)
Present value of liabilities	(2,351,000)	(2,911,000)
Deficit	-	-

Analysis of amount recognised in Statement of Financial Activities

	2023	2022
	£	£
Current service cost	22,000	18,000
Interest on net defined benefit liability	(14,000)	20,000
Expenses paid from the Scheme	19,000	8,000
Total Cost	27,000	46,000

Analysis of amount recognised in other comprehensive income

	2023	2022
	£	£
Actual return on assets	(38,000)	(130,000)
Return on assets included in net interest	(134,000)	(53,000)
Asset gain/(loss)	(172,000)	(183,000)
Liability experience gain/(loss)	161,000	117,000
Change of assumptions gain/(loss)	432,000	1,568,000
Restriction on asset balance	(791,000)	(283,000)
Remeasurement gain/(loss) in other comprehensive income	(37,000)	1,219,000

Changes in the present value of the defined benefit liabilities are:

	2023	2022
	£	£
Opening value of liabilities	2,911,000	4,599,000
Interest cost	120,000	73,000
Service cost (including member contributions)	27,000	23,000
Experience (gain) / loss	(161,000)	(117,000)
Change of assumptions (gain) / loss	(432,000)	(1,568,000)
Benefits paid	(114,000)	(99,000)
Closing value of liabilities	2,351,000	2,911,000

Changes in the fair value of the assets are as follows:

	2023	2022
	£	£
Opening value of assets	3,194,000	3,327,000
Expected return	134,000	53,000
Asset gain	(172,000)	(183,000)
Contributions by employer	114,000	99,000
Contributions by members	5,000	5,000
Benefits paid	(114,000)	(99,000)
Expenses paid from the scheme	(19,000)	(8,000)
	3,142,000	3,194,000
Restriction on asset balance	(791,000)	(283,000)
Closing value of assets	2,351,000	2,911,000

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

Due to the Scheme having a year-end net asset balance of £791,000, this has been restricted

The total value of the assets is divided between the main asset classes as follows:

	At 31 Aug 23	At 31 Aug 22
Equities	29.1%	34.6%
Gilts	13.7%	16.1%
Bonds	31.1%	26.8%
Property	9.3%	10.1%
Cash	7.6%	0.2%
Annuities	9.2%	12.2%
Total	100%	100%

The assets above do not include any securities of, or property occupied by Ardingly College.

Amounts for the current and previous four periods (in thousands):

	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Present value of liabilities	(2,351)	(2,911)	(4,599)	(4,604)	(4,882)
Total market value of assets	3,142	3,194	3,327	3,279	3,146
Restriction applied to asset balance in accounts	(791)	(283)	-	-	-
(Deficit) / Asset	-	-	(1,272)	(1,325)	(1,736)
Experience gain /(loss) on assets	(172)	(183)	31	76	187
Experience gain/(loss) on liabilities	161	117	124	220	(95)

The actual return on assets over the period was a loss of approximately £50,000 (2022: loss of £130,000).

The total actuarial gain/loss for the period (being the sum of the liability experience gain/loss, the change of assumptions gain/loss and the asset gain/loss) was a gain of approximately £421,000. A restriction of £791,000 has been applied to this gain so that the overall impact is to not recognise the asset. (2022: gain of approximately £1,502,000).

The Employer expects to contribute a minimum of £92,520 to the scheme in the year from the end of the period towards the deficit.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

26. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATIONS

	2023 £	2022 £
Net income for the period (as per the Statement of Financial Activities)	1,940,300	761,351
Adjustments for		
Depreciation charges	2,182,528	2,163,130
(Gains)/losses on investments	(28,811)	108,293
Dividends, interest, and rents from investments	(24,339)	(13,149)
Financing costs	464,103	549,208
Loss/(profit) on the sale of fixed assets	(4,450)	-
Defined benefit pension scheme	-	1,211,000
(Increase)/decrease in stocks	(8,288)	12,089
(Increase)/decrease in debtors	278,924	(375,609)
Increase/(decrease) in creditors	296,038	166,658
Net cash provided by (used in) operating activities	5,096,005	4,582,971

27. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash in hand and at bank	4,561,953	5,171,135
Overdraft facilities repayable on demand	-	-
Total cash and cash equivalents	4,561,953	5,171,135

28. ANALYSIS OF CHANGES IN NET DEBT

	At 1 st Sept 2022	Cash flows	Other non- cash changes	At 31 st Aug 2023
	£	£	£	£
Cash and cash equivalents				
Cash	5,171,135	(609,182)	-	4,561,953
Overdraft facility repayable on demand	-	-	-	-
	5,171,135	(609,182)	-	4,561,953
Borrowings				
Loans falling due within one year	(4,219,084)	3,986,851	-	(232,233)
Loans falling due after more than one year	(5,276,351)	232,234	-	(5,044,117)
	(9,495,435)	4,219,085	-	(5,276,350)
Total	(4,324,300)	3,609,903	-	(714,397)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

29. SUBSIDIARIES

The Company owns all the share capital of Ardingly Projects Limited, a company incorporated in England and Wales (Company number: 01931797). This company carries out trading activity on behalf of the College including commercial letting and sales from the College cafe.

Ardingly Projects Limited had a turnover of £1,689,974 (2022: £1,077,774), gross profit of £1,250,463 (2022: £662,507), and a profit before tax and gift aid of £399,052 in the year ended 31 August 2023 (2022: loss of £151,518). At 31 August 2023 the company had negative shareholder's funds of £365,033 (2021: negative £764,085).

Ardingly Projects Limited paid rent of £125,685 (2022: £125,685) and £654,088 employment cost recharges (2022: £606,026) to Ardingly College Limited during the year. Ardingly Projects Limited made a loss and therefore there is no gift aid payment to Ardingly College Limited. At year end, Ardingly Projects Limited owed Ardingly College Limited £387,778 (2022: £1,003,687).

The Company also owns all the share capital of Ardingly College International Limited, a company incorporated in England and Wales (Company Number 11540470). This company was incorporated on 28 August 2018 and carries out all activities relating to the setting up of educational partnerships with international schools.

Ardingly College International Limited had a turnover of £292,633 (2022: £87,500), gross profit of £173,085 (2022: gross loss of £47,362), and a profit before tax of £112,429 in the year ended 31 August 2023 (2022: loss of £71,995). At 31 August 2023 the company had negative shareholder's funds of £69,526 (2022: negative £181,955).

Ardingly College International Limited paid rent of £922 (2022: £922) and employment cost recharges of £42,059 (2022: £94,665) to Ardingly College Limited during the year. At year end, Ardingly College International Limited owed Ardingly College Limited £171,797 (2022: £248,710).

Both subsidiaries have the same registered office of Ardingly College, College Road, Ardingly, Haywards Heath, West Sussex, RH17 6SQ.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

30. Consolidated Statement of Financial Activities – Comparative figures by fund type

Year Ended 31 August 2022	Unrestricted	Restricted	Endowed	Total
	£	£	£	£
Income and endowments from Charitable activities				
School fees receivable	23,907,324	-	-	23,907,954
Ancillary trading income	1,171,220	-	-	1,171,220
Other trading activities				
Non-ancillary trading income	1,197,482	-	-	1,197,482
Investments				
Investment income	-	-	-	-
Bank and other interest	540	12,609	-	13,149
Voluntary sources				
Grants and donations	15,737	83,993	-	99,730
Other incoming resources				
Total Incoming Resources	26,292,303	96,602	-	26,388,905
Expenditure on:				
Raising funds				
Non ancillary trading	1,164,312	-	-	1,164,312
Other income generating activities	-	-	-	-
Financing costs	549,208	-	-	549,208
Investment management	-	-	-	-
Fundraising and development	125,221	-	-	125,221
Total Deductible Costs	1,838,741	-	-	1,838,741
Charitable activities				
Education and grant making	23,601,750	78,770	-	23,680,520
Total resources expended	25,440,491	78,770	-	25,519,261
Net gains/(losses) on investment assets	(107,497)	-	(796)	(108,293)
Net income/(expenditure)	744,315	17,832	(796)	761,351
Transfers between funds	-	-	-	-
Other recognised gains/(losses)				
Pension scheme actuarial gains/(losses)	1,211,000	-	-	1,211,000
Net movement in funds for the year	1,955,315	17,832	(796)	1,972,351
Fund balances at 1 st September	16,133,084	806,564	272,751	17,212,399
Fund Balances at 31st August	18,088,399	824,396	271,955	19,184,750

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2023

31. ULTIMATE CONTROLLING PARTY

The Woodard Corporation Limited is the ultimate controlling party, a registered charity number 1096270, which is incorporated in England and Wales. Copies of the financial statements of the Woodard Corporation can be obtained from High Street, Abbots Bromley, Rugeley, Staffordshire, WS15 3BW. The accounts of Ardingly College Limited are included within the consolidated financial statements of the Woodard Corporation Limited.

32. RELATED PARTIES

As stated in note 33, Ardingly College Limited is a wholly owned subsidiary of The Woodard Corporation. An amount of £155,132 was paid during the year to Woodard Corporation by way of a levy to meet running costs.

The company also controls two subsidiary trading companies, Ardingly Projects Limited, and Ardingly College International Limited; the results of which are detailed in Note 29.

During the year the company was charged professional fees of £19,548 by Savills (UK) Ltd of which Guy Dixon is a Director and Professional fees of £11,351 by Veale Wasbrough Vizards LLP of which Sian Champkin is a Partner and employee. Georgina Holmes is employed by Nurole Ltd, who the College use for some recruitment services, however there were no transactions during the year.

The fees were charged on an arm's length basis and no amounts were outstanding at year end. All conflicts have been recorded on Declaration of Interest forms and also at the start of relevant Governor meetings to be included in the minutes.

33. ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the financial statements, the directors are required to make estimates and judgements. The matters detailed below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported in the results of operations, financial position and cashflows. Accounting policies are shown at note 1 to the financial statements.

Actuarial assumptions in respect of defined benefit pension schemes

The application of actuarial assumptions relating to defined benefit pension schemes is incorporated in the financial statements in accordance with FRS 102. In applying FRS 102, advice is taken from independent qualified actuaries. In this context, significant judgement is exercised in a number of areas, including future changes in salaries and inflation, mortality rates and the selection of appropriate discount rates.

Provision for bad debts

Debts are provided for if not recovered within one term. Estimating amounts to provide against recovery of debts is a matter of judgement.

Asset classification

As explained in the accounting policies, management exercise judgment in the treatment of tangible assets in the financial statements; either as capital items shown on the balance sheet with the cost spread over the life of the asset, or recognised in full in the year of purchase in the Statement of Financial Activities. The ability of the asset to add value or generate further income for the College is considered which often involves judgements to be made in compliance with accounting standards.

Depreciation, impairment and residual values of fixed assets

Judgement is exercised in estimating the residual values of fixed assets, the selection of appropriate rates for depreciation, and for matters of impairment.