

Charity Registration No. 311054
Company Registration No. 00947085 (England and Wales)

**EDGE GROVE SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT, STRATEGIC REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**



EDGE GROVE SCHOOL TRUST LIMITED (LIMITED BY GUARANTEE)

LEGAL AND ADMINISTRATIVE INFORMATION

Governors

Mr I S Elliott (Chair)
Mr P A Kendall (Deputy Chair)
Mr C H J Clayden
Mr D G Emkes
Ms A J Godfrey
Dr L A Johnson
Mr C E Lilley
Mrs S O'Sullivan
Mr A J Robson
Mr I A Sheldon
Mr J L Stevens
Mr J W Tweddle
Mr D A E Williams

Key Management Personnel

| | |
|---------------------------------------|--|
| Head | Ms L McDonald |
| Senior Deputy Head | Ms J Leighton (appointed 1 September 2021) |
| Bursar & Company Secretary | Mr M G M Sims |
| Deputy Head Academic | Ms L E O'Hare |
| Deputy Head Pastoral | Mrs A T Caldwell |
| Head of Pre Prep | Mrs G A Emmerson |
| Head of Upper School | Ms A M Warren |
| Head of Lower Prep | Mrs S Robinson |
| Head of Digital Learning | Mr I Kay (appointed 1 November 2021) |

Charity Number 311054

Company Number 947085

Registered Office & Principal Address Edge Grove School
Aldenharn Village
Watford
Hertfordshire
WD25 8NL

Auditors TC Group
The Courtyard
Shoreham Road
Upper Beeding, Steyning
West Sussex BN44 3TN

Bankers Barclays Bank Plc
11 Bank Court, Marlowes,
Hemel Hempstead,
Hertfordshire HP11 1BX

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(LIMITED BY GUARANTEE)
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EDGE GROVE SCHOOL TRUST LIMITED (LIMITED BY GUARANTEE)

GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

The Governors present their report and consolidated financial statements for the year ended 31 August 2021, which also comply with the Companies Act 2006 requirement for a Directors' Report and Strategic Report.

The financial statements have been prepared in accordance with the Companies Act 2006, Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Edge Grove ("the School") was founded in 1935. It became an incorporated charitable company in 1969, Edge Grove School Trust Ltd ("The Company"), charity registration number 311054, company registration number 00947085, with the liability of its members limited to £1 each by guarantee. The Registered Office and principal address is at the School. The Company is governed by its Articles of Association, adopted by special resolution on 4 September 2014.

The School

The School is a co-educational, independent day (boarding ceased to be offered in September 2021) preparatory school for children between the ages of 3 and 13 years. The School is located on 2 sites with the main site situated in 45 acres of Hertfordshire parkland, midway between Watford and Radlett and a nearby location in Aldenham Village comprising the Pre School. The Head is a member of the Incorporated Association of Preparatory Schools (IAPS) and the School is a member of the Association of Governing Bodies of Independent Schools (AGBIS) and the Independent Schools Bursars' Association (ISBA). It is governed by a Board of Governors, who are also company directors and charity trustees.

Group Structure

The School has a subsidiary undertaking, Edge Grove Nursery School Ltd, which was acquired as Rexton Nursery School Limited on 19 December 2016 and the company name amended to the current name on 20 December 2016. The subsidiary holds the lease to School House, Church Road, Aldenham, Hertfordshire, WD25 8AP from where the School operates its Pre School facility.

Governance and Organisational Management

The members of the Governing Body, as the company directors and the charity trustees, are legally responsible for the overall management and control of the School. The following served as Governors during the year in question:

Mr I Elliott (Chair)
Mr P A Kendall (Deputy Chair)
Mr C H J Clayden
Mr D G Emkes
Ms A J Godfrey
Dr L A Johnson
Mr C E Lilley
Mrs S O'Sullivan
Mr A J Robson
Mr I A Sheldon
Mr J L Stevens
Mr J W Tweddle
Mr D A E Williams

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The Governors have no beneficial interest in the company. All of the Governors are members of the company and, as such, guarantee to contribute £1 in the event of a winding up.

The Governors determine the general strategy of the School. Effective governance is ensured through: firstly, the appointment of Governors with a range of relevant skills and knowledge as measured against agreed parameters; secondly, the efficient working of the Board's delegated committee structure (see below); and thirdly, through application of a risk management regime which seeks to cover all aspects of the governance task. The day-to-day management of the School is delegated to the Head and the Bursar who are supported by the Senior Leadership Team and together this group form the Key Management Personnel. The Head and Bursar attend all of the meetings of the Governing Board and its committees.

The Governors, assisted by the Head, select new members of the Board. Applications for the position of Governor are sought by word of mouth. The full Board of Governors meets at least 3 times per year. The Board is assisted by Committees which carry out close scrutiny of the Governors' responsibilities and which meet termly. A committee structure comprising Education, Estates and Finance Committees and a Nominations Sub-Committee has been in place since 1st September 2014. These committees comprise Governors and, where applicable, other co-opted individuals. All the committees operate under terms of reference specified by the Board of Governors which ratifies the decisions of each committee.

The Chair and Deputy Chair of Governors are, ex-officio, members of all sub committees and arrange that at least one will attend all meetings. The Board operates a strategic planning process of all Board Members rather than delegation to a specific committee and this meets at least annually. During the year in question, other Board members served on the individual committees as follows:

Finance: Mr C H J Clayden (Chair), Mr D G Emkes, Mr A J Robson (ex officio as Chair of Estates Committee), Mr J W Tweddle, Mr D A E Williams

Education: Dr L A Johnson (Chair), Ms A J Godfrey, Mrs S O'Sullivan, Mr I A Sheldon

Estates: Mr A J Robson (Chair), Mr C E Lilley, Mr J L Stevens

Individual Governors held specific responsibilities for Safeguarding, Early Years and Pre Prep, Upper School, Middle School and Lower School, SEND, Boarding, Health & Safety and Staff Liaison.

Governor Induction and Training

The induction and training of Governors is carried out in accordance with the School's policy on the subject, which also covers the process of appointing Governors. In addition to receiving a detailed Governors' 'Welcome Pack', new Governors attend a series of orientation visits and briefings aimed at familiarising them both with the detailed workings of the School and the responsibilities attaching to their role as trustees.

Following their appointment, Governors are strongly urged to take advantage of the numerous external trustee training and information courses available, and a central record of such attendance is maintained. It is our policy that at least once per year, a joint staff and governor training day is arranged on a topic of mutual interest.

Related Parties

Details of related party transactions are shown in note 24. The School rents property from its subsidiary (as detailed above).

Remuneration of Key Management Personnel

The School views all members of the Senior Leadership Team (SLT) as being "Key Management Personnel" and Governors take deliberate steps to ensure that these personnel are fairly and appropriately remunerated.

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Members of the SLT during the year in question were:

The Governors determine the remuneration levels for the Head and Bursar after due consideration between the Chair, the Chair of the Finance Committee, Head (in the case of the Bursar) and other Governors as may be appropriate. These are reviewed annually with due consideration given to not only sector benchmarking surveys, such as is available from AGBIS and other surveys from specialist accounting practices, but also to performance against objectives set.

The remuneration for all other members of the SLT is based upon a defined and published leadership salary scale, changes to which are recommended by the Head and Bursar as a constituent element of the staff remuneration review by Governors. Changes to individual remuneration may also be recommended to Governors following appraisal and performance against objectives set. Governors are invited to approve recommendations as part of the overall annual budgetary approval process or as otherwise appropriate.

CHARITABLE OBJECTS, ETHOS, AIMS, STRATEGIES AND ACTIVITIES

Charitable Objects

Edge Grove is a Charitable Trust, the stated general object of which is the advancement and promotion of education. Our fees are set at a level to ensure the financial viability of the School and at a level that is consistent with our aim of providing a first class education to boys and girls.

The Governors recognise that, under the Charities Act 2011, the charity must be able to demonstrate that its objects or aims are for the public benefit. In determining the School's objectives for the forthcoming year, the Governors confirm that, during the year in question, they have fulfilled their legal duty to have due regard in general to the Charity Commission's published guidance and, in particular, to its supplementary public benefit guidance on advancing education and on fee-charging both in meeting the public benefit requirement and in discharging their responsibilities as trustees.

The School welcomes pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our School will be able to educate and develop a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Dependent upon the age of the prospective pupil, entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes. We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments, which need to be consistent with the heritage fabric of the site, to meet the needs of staff or pupils who are or become disabled.

Ethos

Our long history means that tradition plays its part in shaping our character. Edge Grove pupils are independent, have an adventurous spirit, good manners, respect for others and are resilient. It is these values that provide a strong foundation on which to build our future. Innovation and creativity flourish and help to define Edge Grove as a truly forward thinking school.

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Success, both collectively and on an individual level, is our motivation. Our academically rigorous and dynamic curriculum challenges and supports all pupils.

We are proud of our Christian heritage whilst embracing the religious and cultural differences of all children and families. Our community of pupils and their families is extended into the local area and those we help support through national and international charities.

Strategic Vision and Mission

As a core element of our strategic review, the Governors have adopted its strategic vision for the School of being "a first choice Prep School for a first class education for now, for life, for generations to come" with a mission "to ensure that all pupils can achieve their full potential within a safe, secure and happy learning environment".

Aims

The School aims to provide a secure and happy environment in which children feel safe, nurtured and valued. We promote high standards of academic achievement through innovative, reflective teaching, focussed assessment and a rigorous curriculum to ensure all pupils reach their full potential and develop their confidence, and thereby prepare them as effectively as possible for the next stage of their education.

The School strives not only to achieve academic success but also to provide a wide range of opportunities in a co-educational environment to enable pupils to discover and develop interests and expand their experience. We seek to promote a spiritual and moral awareness in our pupils based on the values of respect, empathy and kindness; developing a sense of service to the school community and beyond. In particular, the School seeks to provide a wide range of opportunities in a co-educational environment to meet the individual needs of every pupil through innovative and reflective teaching that allows all pupils to reach their potential and leave the School as confident, mature, engaging and thoughtful children with a lifelong love of learning.

Guiding Principles

The School has adopted the following principles as underpinning all that we strive to achieve with the pupils in our care: Creativity, Aspiration, Independent Thinking, Curiosity, Self-Motivation, Confidence, Discernment, Global and Local Responsibility. Each of these is the subject of an individual focus every week.

Primary Objectives

The primary objectives of the School to fulfil its aims are:

- to continue to develop its role and reputation as a provider of excellent all-round education for its pupils, in a secure and well-maintained environment and utilising the best of modern educational resources;
- to implement plans for the School's capital investment as set out in its Development Plan, which is reviewed and updated annually; and
- to continue to seek opportunities to make its education and associated facilities accessible to the public, and young people in particular.

Beneficiaries

As a registered charity, the School's immediate beneficiaries are its pupils who are able to take advantage of the wide and varied educational opportunities offered by the School. The School's high standards are founded on a genuine concern for the welfare and positive development of every child. Emphasis on courtesy and good manners is embedded in a real family atmosphere within the School, and parents are encouraged to be fully involved in the development of their own children's education and in the wider community life of the School. Pupils' and parents' views are fully taken into account in the shaping of school policy.

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Public Benefit

Governors have had regard to the UK Government's consultation document 'Schools that work for everyone', launched in September 2016, which proposed that independent schools with 'the capacity and capability' should look to support the aim of the consultation; this is to resolve the issue that many children currently attend schools (both primary and secondary) which are either rated as requiring improvement or as inadequate. The School has and will continue to provide assistance commensurate with its capacity and capability to local maintained sector and academy schools by:

- Providing direct school-to-school teaching support;
- Supporting teaching in minority subjects;
- Ensuring their leaders become directors of multi-academy trusts;
- Provide greater expertise and access to facilities.

It is important to the School that access to the education we offer is not restricted to only those who can afford our fees. The School's policy for the award of scholarships and bursaries (reviewed annually by the Board of Governors) ensures that funds are made available to subsidise places at Edge Grove for deserving and talented children whose parents would not otherwise be able to afford to send their children to the School as well as facilitating the continued education of children from families experiencing unforeseen or temporary financial hardship.

The Governors take the view that bursaries awarded to those who would not otherwise be able to afford the fees are important, but not to the exclusion of the much wider benefit that the School provides within the community. Those pupils who attend the School and who receive financial support contribute to the school community in a variety of ways, and so the benefit is not purely to these pupils but to the whole School and thus, in some cases, to the wider community.

An annual budget for means-tested bursaries is established by the Governors' Finance Committee, acting on behalf of the Board, as a core element of the annual budget process and individual applications are assessed by the School within that budget limit. The Board is pleased to note that it was able to continue to provide very significant levels of means-tested financial assistance with an annual value of £366,362 (2019: £234,472).

The School provides significant benefit to the general public through its offer to make its resources (both human and facilities) available for use appropriate to its educational aims. Much of the interaction with both the local and wider communities is embedded in the School's day-to-day operational activity, forming a constituent and important element of both the curriculum and extra-curricular activities of the School. Activities in 2020/21 continued to be limited due to Covid-19 restrictions but included the following:

- The continued operation of the School Charity Committee comprising both pupils and staff to be responsible for all charitable support by the School not just in fundraising but also in the raising of awareness of values of charitable giving.
- Continued arrangements for Harvest Festival donations on behalf of the Watford and Three Rivers Refugee Partnership.
- Fundraising for Noah's Ark Children's hospice through the Upper School Baccalaureate entrepreneurial challenge, a sponsored Welly Walk for Pre Prep and a sponsored Cyclathon for the Prep School.
- Provision of the School's facilities for charitable events for, amongst others, British Legion Poppy Appeal, Save the Children, MacMillan Cancer Support and Children in Need.

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STRATEGIC REPORT

When determining the strategies for the School's operation, Governors are both mindful of and act in good faith towards their corporate responsibilities across a range of areas and their duty to act in the way considered, in good faith, to be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the School's employees;
- the need to foster the School's business relationships with suppliers, parents and others;
- the impact of the School's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct.

Achievements and Performance

The success of the School's strategy is measured, primarily, through annual reviews of performance by the Board of Governors and by the performance and reactions of the School's pupils and their parents, which is partly ascertained through surveys of the parent body and partly through pupil achievement and their destination schools. The School conducted several formal surveys during the year in question on the topic of Parental Satisfaction with the School's operations during the pandemic and the support offered to both pupils and their parents with remote learning.

A further measure of general operational performance is the number of leavers who went on to their chosen senior school. From year 8, 38 pupils moved on to a total of 18 senior schools, both day and boarding. From year 6, 34 pupils moved on to 29 different schools. A total of 19 scholarships were awarded to pupils entered for different schools.

Accurately measuring a child's potential and progress is an invaluable tool in understanding and responding to their individual educational needs. The School continues to invest heavily in the tracking and monitoring of all pupils from Foundation Stage through to Year 8 and the resultant ability, accurately and empirically, to track the progress of each pupil is of significant value, not only in informing both academic staff and parents but also in facilitating appropriately targeted and differentiated teaching. This level of measurement forms the core of the School's reporting and tracking processes whereby:

- Progress is tracked using GL-Assessment data in Reception and Years 1-8 provides and rich diagnostic information for intervention and data on specific groups of pupils: EAL, SEN, boys/girls.
- GL PASS (Pupil Attitudes to Self and School) has been introduced for Years 1-8
- Every subject has a Progression Grid, to record progress against age related expectations, based on a Progression Framework of criteria to assess against.
- Writing is assessed against age related expectations every term (a move away from old National Curriculum Levels) and entered onto a Progression Grid.
- Individual targets are set and reviewed formally in December and June. Marking throughout the school year ensures that work is assessed for learning.

GL data suggest that an average of 88% of pupils made a good level of progress in maths and English in the academic year 2020-2021, compared to the national average of 75%. These scores are in line with results from 2018-2019 (pre-pandemic) when 88% made good progress. Within this year's numbers, 38% of pupils went on to make an excellent level of development, compared to a national average of 25%.

The impact of the pandemic was dramatic on the sports and games front with very limited opportunities to represent the School. The pandemic meant that all IAPS national and regional competitions did not take place which was disappointing due to the fact that we have spent a number of years building the pupils up to be able to both compete and excel at these events. We had a number of pupils who we were expecting to push for national honours in table tennis, swimming and athletics and with most of

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these pupils now having left the school we have unfortunately missed this opportunity. We have also had very limited sports fixtures with only a few cricket fixtures towards the end of the academic year.

We took advantage of the opportunity to not have to focus on fixture preparation by giving the pupils the chance to try a number of different sports, as well as promoting co-educational opportunities with the boys and girls playing hockey, football and cricket together. In fact we have had a number of girls showing great potential in cricket due to this, which is very promising.

The School continues to give a high priority to the performing arts. Whilst academic results in senior school art scholarships and external exam success along with competition results in music continue to be beacons of excellence, this is only part of the picture with innumerable musical concerts, year group and school productions taking place, providing opportunities for a broad participation of pupils across all year. The volume of productions and performances has, of necessity, been reduced during the pandemic which has particularly affected the School's ability to offer musical groups and practical hands-on art but every opportunity has been taken to provide as great a priority as possible in these areas.

The Governors' commitment to maintaining the School's excellence and to the re-evaluation of the use of resources has been reinforced by the capital programme. Despite the inevitable constraints of the pandemic, expenditure on capital projects during the year amounted to some £625,842 (2020: £1,178,535). Uncertainties regarding the financial implications of the ongoing pandemic meant that the cycle of development at the School was deferred for the latter part of the year.

In the light of continued falling demand and with other pressures on available space, the decision was taken during the year to cease offering a boarding option with effect from September 2021. Without significant investment and a change in pupil recruitment and a consequential change in the School's identity, Governors recognised that demand amongst local parents for boarding was minimal and this, when coupled with the lack of a formal boarding experience as a prerequisite for boarding senior school places, meant that the provision had become dated and uneconomic and a drain upon the School's resources. The School remains determined that the spirit and ethos for which the school is known best, captured in its commitment to academic rigour, the breadth of educational opportunity and a strong foundation of pastoral care, shall continue unwaveringly into this next phase of development.

Looking forward into 2021/22 and beyond, it is clear that the School's reputation and place in the local market remain strong. Pupil registrations for future entry remain at all-time highs as do the numbers of prospective parents attending open mornings in the autumn term.

Fundraising

Following the launch year of the School Development Office in 2016/17, Governors have been delighted with the continued progress made in increasing engagement with the formation of the Edge Grove Society through events and communications, producing newsletters and inviting alumni to return to the school. Communications are specific and effective to those that wish to hear from the school, well received and events are well attended and supported.

At the end of the 2020/21 year we were able to invite small groups of parents and alumni back on site in what we hope is a return to in person fundraising and friend raising events. The Friends of Edge Grove made donations of equipment to the school totalling £6,049 and have raised an additional £15,000 of funds to be allocated to a school project yet to be determined.

It is the intention of the School that all fundraising be carried out by the School's staff with assistance from parents, pupils and alumni in the running of specific fundraising events; the School will not use professional fundraisers or have any commercial participants. All fundraising activities are managed by the Development Manager, reporting to the Chair of Governors, and are monitored for compliance with appropriate regulations by the Bursar with overall oversight by the members of the governing body.

During this financial period, a total of £9,890 was raised through individual one off gifts, monthly donations and profit from an onsite, volunteer-run second-hand uniform shop. In addition, we were informed of a legacy donation of £20,000 yet to be received.

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The School has in place procedures that would be followed in the event of a complaint regarding fundraising practices being received with the initial response being the responsibility of the Bursar. Any continuing issues would then be passed to the governing body to determine what further action might be required.

The School does not currently subscribe to any specific fundraising standards or schemes for fundraising regulation but considers that it has set appropriate standards for the operation and management of its fundraising activities. In particular, the School considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion on a person's privacy and that no fundraising activities would be unreasonably persistent or place undue pressure on a person to give money or other property.

Employment Policy

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. The number of School employees remains below the threshold for a requirement to report under the Gender Pay reporting regulations but the School determines that all staff remuneration is based upon the role to be performed and not the nature of the employee. Consultation with employees at all levels is maintained with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the School through normal management channels in a variety of forms including the Personnel Committee, which is chaired by the Deputy Chair of Governors.

Performance against Objectives for 2020/21

The Board of Governors identified the following short-term objectives for 2019/20 and the School performed against them as follows:

1. Covid-19 – continue to offer a high quality and rich blended learning model to all pupils during the pandemic.
 - o The Continued Academic and Pastoral Provision (CAPP) was revised and updated for the second period of lockdown. An enhanced program was created for Pre Prep which included three live lessons per day in the core subjects. Head's challenges, Wellbeing challenges and Physical Education challenges set through Google Classroom ensured that breadth, balance and pupil personal development underpinned remote learning. **Objective fully met.**
2. In conjunction with the new Head, review, agree and publish revisions to the School development plan.
 - o In consultation with senior staff, a gap analysis of the school development plan was undertaken and key areas for development were identified. Key aims within each area – Academic, Pastoral and Staff development were solidified in preparation for a consultation with all staff during INSET in September 2021. **Objective fully met.**
3. Further development of pastoral care and staff and pupil well-being across all areas of the School including the training of all staff and the establishment of the School's Head of Wellbeing as a centre of excellence and as a mental first aid trainer.
 - o Although opportunities for development were limited by the pandemic, the Head of Wellbeing is now a fully qualified Mental Health First Aider and a program of training for all staff has begun. **Objective partially met.**
4. Achieve the award of Green Flag as a key element of the School's eco-policies and environmental promotion.
 - o The school has achieved the Green Flag award. **Objective fully met.**

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FINANCIAL REVIEW

General Review

In the financial year 2020/21, gross fee income was £7,919,161 (see note 9), an increase of £4,242 (0.05%) over the 2019/20 level (£7,923,403). Average pupil numbers increased from 522 in 2019/20 to 524 in 2020/21 and Governors felt it was appropriate to freeze all tuition fees for the year 2020/21 at the same level as the preceding year. The Governors also repeated a realignment to the fees charged to all parents during the spring term 2021 as result of the severe interruptions to education brought about by the restrictions of the Covid-19 pandemic.

This realignment totalled some £226,560 (2019: £626,315) and was agreed by Governors as an appropriate and timely response to the government requirement to close the School to normal operations and all but the children of key-worker parents and adopt the provision of remote learning utilising the technology available. Under this provision, parents were offered a realignment of the normal tuition fees payable for the School's services; these were agreed on a sliding scale, dependent upon the age of the pupil in question.

One mitigating circumstance of the financial intervention of the Covid-19 pandemic and reduced fee receipts and incidental income streams was the School's ability to manage its cost base, despite the artificially high costs of continuing to remain at least partially open during the pandemic, whilst preserving all employment not only for its own staff but also those staff engaged by service contractors on site. Operational expenditure during the period of closure during the Spring Term 2021 was reduced across the board despite that increased expenditure in several areas including the provision of appropriate technology to better facilitate remote learning.

Cash balances generated from operating surpluses provided the funding that enabled £625,842 (2019/20: £1,178,535) to be allocated to capital projects designed to maintain and improve the School's facilities. Donations and legacies received or confirmed during the year amounted to £37,954 (2019/20: £23,624). In addition, the School received grants under the Government's Coronavirus Job Retention Scheme to the total of £41,158 between September and April (2019: £273,053) during which period lower paid non-teaching staff who were not required to work with children either remotely or on site were "furloughed", all of whom continued to receive 100% of normal salaries.

Overall, the Governors consider that the operating surplus before expenditure on capital projects and other transfers of £619,036 (2019/20: £442,331) represented a satisfactory performance under the prevailing circumstances. The Governors consider that the future viability of the School's financial position and stability remains strong whilst respecting the potential challenges to that position from the consequences of the pandemic.

As at 31 August 2021, net consolidated general unrestricted funds stood at £7,172,815 (2020: £6,563,722). These funds were wholly deployed in funding the School's premises, equipment and working capital. The balance of funds needed to finance these items has been provided through long term loans, secured on freehold properties. As at 31 August 2021, total long term borrowings (due after more than one year) were £2,947,608 (2020: £3,439,812); a decrease of £492,204 over the year. Net cash balances at the year-end totalled £1,429,075 (2020: £1,582,752), a decrease of £153,677, leaving net bank debt at the year-end of £1,518,533 (2020: net bank debt £1,857,060).

Reserves Policy and Financial Viability

Each year a detailed budget and cash flow is produced for the following year and period performance is monitored against those figures. In setting the budget, the Governors' policy is to generate sufficient reserves each year to enable the School to invest in its infrastructure and fulfil its Development Plan, to support and service its borrowings, as well as to provide working capital and to ensure compliance with relevant banking covenants imposed as part of the School's bank borrowings. The School will utilise all of its reserves in meeting these aims and does not expect to generate free reserves over and above the level required to meet them. Annual cash surpluses representing the School's liquid resources are managed carefully in order to service its working capital requirements.

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Covid has inevitably presented challenges to the School's finances during the continued operation of the School, whether closed during lockdown or fully open under restricted operations. Within that context, the current position (in October 2021, with the School fully open with much reduced pandemic restrictions in place) remains strong with adequate cash reserves and the School's strategy during these periods continues to be to focus upon the continued provision of its services to pupils, parents and staff alike whilst seeking to maintain adequate reserves for the future. During this period in question, the Governors, together with the School's Executive Management have maintained a close watch over all cash balances, both current and forecast, in a formal drive to ensure that the School remains a "going concern" and that loan covenants agreed with lenders remain intact.

PRINCIPLE RISKS AND UNCERTAINTIES

Risk Management

The Governors consider the continued potential impact in all sectors of society of the current Covid-19 pandemic and in particular it's economic impact upon the affordability of fees by parents across the independent sector as well as continued upward pressures on suppliers and staffing costs to be the principal risks faced by the school. This impact compounds the risks already present of a moderately uncertain political landscape and economic future following the implementation of Brexit; both of which remain factors in the broader economic picture. They also consider the following areas as being potentially major risks:

- Poor development plans;
- Failures of regulatory compliance across all areas but specifically in Safeguarding, Security or Health & Safety;
- Reputational damage from adverse publicity;
- Competition from other schools, both independent and maintained; and
- Inability to attract and retain quality teaching staff.

The Board of Governors retains detailed consideration of risk management as its direct responsibility and has assessed the major risks to which the School is exposed. The risk management process identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high.

The generic controls used by the School to minimise risk include:

- detailed terms of reference together with formal agendas for Committee and Board activity;
- strategic development planning, reviewed at least annually by the Board;
- comprehensive budgeting and management accounting;
- established organisational structures and lines of reporting;
- formal written policies including clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable.

The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks for both the School and its subsidiary. All Governors' committees maintain risk management as a standing item on meeting agendas and each carries out a comprehensive continuous appraisal of the risks applicable to its specific area of responsibility. The Head and Bursar produce commentaries on the most serious risks; actions required to mitigate those risks are identified and progress on their implementation is carefully monitored within each committee. The Board considers all risks at each meeting and a formal Governors' Risk Register is formally endorsed by the Board each year.

The Board recognises that systems cannot provide absolute assurance that all possible risks have been identified or managed.

Safeguarding Risk Management

The overriding duty of charity trustees in safeguarding matters is the responsibility for ensuring that those benefiting from, or working with, their charity are not harmed in any way through contact with it.

EDGE GROVE SCHOOL TRUST LIMITED (LIMITED BY GUARANTEE)

GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

They have a legal duty to act prudently and this means that they must take all reasonable steps within their powers to ensure that this does not happen.

The Governors confirm that there have been no incidents in the period that required reporting to the Charity Commission and that they have:

- assessed the safeguarding risks that might arise from their charity's activities and operations and the ways in which these aspects may have been or are continuing to be affected by considerations of the Covid pandemic with both pupils and staff engaging in remote education as required by circumstances;
- created, developed and put in place suitable policies and procedures to handle allegations and incidents;
- undertaken on-going monitoring to ensure effective implementation of those policies and procedures;
- taken steps to ensure that both the Board and staff working within the charity respond properly when allegations and incidents arise and report as necessary to the police and other agencies; and
- reviewed policies and procedures both periodically and following serious incidents, using their experience of particular incidents to manage and minimise the risk of something similar happening again by making any necessary changes to the charity's policies and procedures.

PLANS FOR THE FUTURE

Primary Strategic Objectives

The School's current Development Plan, initially agreed by the Governors in March 2017 and as subsequently updated, with its accompanying Strategic Vision which underpins the Development Plan, determines the broad direction of the School's objectives. The primary future plans for the School are set out in the core elements of the School's Strategic Vision. These are:

- to continue to ensure the campus has a safe and attractive environment for pupils, staff and visitors alike;
- to provide a happy and secure pastoral environment, in which all pupils are offered opportunities for leadership and service to others;
- to provide a stimulating learning environment in which pupils can develop their academic potential to the full;
- to offer all pupils the opportunities of experiencing a broad range of intellectual, cultural, sporting and wider-community influences and
- to maintain the capability of the School to offer education to children whose parents are unable to afford full fees.

Specific Objectives for 2021/22

The School will continue to offer a high quality, all round education in line with the three key elements of its longer term strategy and ethos and aims as detailed above. The Board of Governors has identified the following specific objectives for the forthcoming year 2021/22:

1. Develop the strategic leadership of Learning Success and establish a tiered approach to learning intervention through a clear system of identification and referral.
2. Embed a culture of equality, diversity and inclusion across the school by actively promoting practices that encourage respect for one another.
3. Continue to embed a strong culture of safeguarding across the school and establish a pupil support team.
4. Review existing appraisal processes to ensure a culture of powerful, high quality professional development for all staff that is meaningful and personalised.

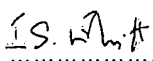
**EDGE GROVE SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 AUGUST 2021**

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the Governors has confirmed that, insofar as they are aware, there is no information of which they are aware which is relevant to the audit, but of which the auditors are unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

This report, including the Strategic Report, was approved by the Governors, as the Directors and Trustees of the charitable company, on 7th December 2021 and signed on their behalf by:


.....

Mr I S Elliott
Chair of Governors

EDGE GROVE SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
STATEMENT OF GOVERNORS' RESPONSIBILITIES

The governors, who are also the directors for the purposes of company law, are responsible for preparing the Governors' Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard in the UK and Republic of Ireland'.

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the affairs of the charitable company and group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that year.

In preparing these financial statements the governors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities' SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will not continue in operation.

The governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group and enable them to ensure that the accounts 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.

EDGE GROVE SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS

Opinion

We have audited the financial statements of Edge Grove School Trust Limited and its subsidiary for the year ended 31 August 2021 set out on pages 18 to 33. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2021 and the group's surplus or deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The governors are responsible for the other information. The other information comprises the information included in the governors' annual report (incorporating the directors' report and the strategic report), other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

EDGE GROVE SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the governors' report (incorporating the directors' report and strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the governors' report (incorporating the directors' report and strategic report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the governors' report (incorporating the directors' report and strategic report).

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the governors

As explained more fully in the governors' responsibilities statement, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the governors are responsible for assessing the group's and the 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 governors either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

EDGE GROVE SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

The objectives of our audit, in respect to fraud, are: to identify and assess the risks 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, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the school's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the school has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

EDGE GROVE SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

TC Group

Mark Cummins FCCA (Senior Statutory Auditor)
for and on behalf of
TC Group
Statutory Auditor
Office: Steyning, West Sussex

Dated: 8 December 2021

EDGE GROVE SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

| | Notes | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total 2021 £ | Total 2020 £ |
|--------------------------------------|-------|----------------------------|--------------------------|--------------------------|--------------------|--------------------|
| INCOME FROM: | | | | | | |
| Donations, grants and legacies | 6 | 51,743 | 23,724 | 3,645 | 79,112 | 296,677 |
| Other trading activities | 7 | 124,039 | - | - | 124,039 | 98,912 |
| Investments | 8 | - | - | - | - | 5,844 |
| Charitable activities | 9 | 7,172,180 | - | - | 7,172,180 | 6,783,137 |
| Other income | 10 | 109,445 | - | - | 109,445 | - |
| Total income | | 7,457,407 | 23,724 | 3,645 | 7,484,776 | 7,184,570 |
| EXPENDITURE ON: | | | | | | |
| Raising funds | 11 | 91,818 | - | - | 91,818 | 147,034 |
| Charitable activities | | 6,757,918 | 10,452 | 5,552 | 6,773,922 | 6,595,205 |
| Total expenditure | | 6,849,736 | 10,452 | 5,552 | 6,865,740 | 6,742,239 |
| Net income | | 607,671 | 13,272 | (1,907) | 619,036 | 442,331 |
| Transfers between funds | 26 | 1,422 | (941) | (481) | - | - |
| Net movement in funds | | 609,093 | 12,331 | (2,388) | 619,036 | 442,331 |
| Fund balances brought forward | 26 | 6,563,722 | 2,343 | 7,298 | 6,573,363 | 6,131,032 |
| Fund balances carried forward | 26 | 7,172,815 | 14,674 | 4,910 | 7,192,399 | 6,573,363 |

All income and gains for the year are recognised above. All of the group's activities are classed as continuing.

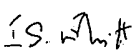
The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

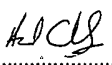
EDGE GROVE SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2021

Company Number 00947085

| | Notes | 2021 | 2020 |
|---|-------|------------------|------------------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible assets | 14 | 10,364,295 | 10,148,219 |
| Intangible assets - goodwill | 16 | <u>214,645</u> | <u>236,104</u> |
| | | 10,578,940 | 10,384,323 |
| CURRENT ASSETS | | | |
| Stock | | 5,733 | 39,434 |
| Debtors | 17 | 301,796 | 100,404 |
| Cash at bank and in hand | | <u>1,417,199</u> | <u>1,582,752</u> |
| | | 1,724,728 | 1,722,590 |
| CURRENT LIABILITIES | | | |
| Creditors due within one year | 18 | <u>1,641,404</u> | <u>1,171,794</u> |
| NET CURRENT ASSETS | | <u>83,324</u> | <u>550,796</u> |
| TOTAL ASSETS LESS CURRENT ASSETS | | 10,662,264 | 10,935,119 |
| LONG TERM LIABILITIES | | | |
| Creditors due after one year | 19 | 3,469,865 | 4,361,756 |
| NET ASSETS | | <u>7,192,399</u> | <u>6,573,363</u> |
| REPRESENTED BY: | 26 | | |
| RESTRICTED FUNDS | | 4,910 | 7,298 |
| UNRESTRICTED FUNDS | | | |
| General funds | | 7,172,815 | 6,563,722 |
| Designated funds | | <u>14,674</u> | <u>2,343</u> |
| | | 7,187,489 | 6,566,065 |
| | | <u>7,192,399</u> | <u>6,573,363</u> |

The accounts were approved by the Board of Governors and signed on their behalf by:


.....
Mr I S Elliott


.....
Mr C H J Clayden

Date: 7 December 2021

EDGE GROVE SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
SCHOOL BALANCE SHEET
AS AT 31 AUGUST 2021

Company Number 00947085

| | Notes | £ | 2021 | £ | £ | 2020 | £ |
|---|-------|------------------|------|------------------|------------------|------|------------------|
| FIXED ASSETS | | | | | | | |
| Tangible Assets | 14 | 10,362,556 | | | 10,146,388 | | |
| Investments | 15 | <u>216,119</u> | | | <u>237,909</u> | | |
| | | | | 10,578,675 | | | 10,384,297 |
| CURRENT ASSETS | | | | | | | |
| Stock | | 5,733 | | | 39,434 | | |
| Debtors | 17 | <u>301,796</u> | | | <u>100,404</u> | | |
| Cash at bank and in hand | | <u>1,417,199</u> | | | <u>1,582,752</u> | | |
| | | <u>1,724,728</u> | | | <u>1,722,590</u> | | |
| CURRENT LIABILITIES | | | | | | | |
| Creditors due within one year | 18 | <u>1,641,404</u> | | | <u>1,171,794</u> | | |
| NET CURRENT ASSETS | | | | <u>83,324</u> | | | <u>550,796</u> |
| TOTAL ASSETS LESS CURRENT ASSETS | | | | 10,661,999 | | | 10,935,093 |
| LONG TERM LIABILITIES | | | | | | | |
| Creditors due after one year | 19 | | | 3,469,865 | | | 4,361,756 |
| NET ASSETS | | | | <u>7,192,134</u> | | | <u>6,573,337</u> |
| REPRESENTED BY: | 26 | | | | | | |
| RESTRICTED FUNDS | | | | 4,910 | | | 7,298 |
| UNRESTRICTED FUNDS | | | | | | | |
| General funds | | 7,172,550 | | | 6,563,696 | | |
| Designated funds | | <u>14,674</u> | | | <u>2,343</u> | | |
| | | | | <u>7,187,224</u> | | | <u>6,566,039</u> |
| | | | | <u>7,192,134</u> | | | <u>6,573,337</u> |

The accounts were approved by the Board of Governors and signed on their behalf by:

IS. Elliott
Mr I S Elliott

H. J. Clayden
Mr C H J Clayden

Date: 7 December 2021

EDGE GROVE SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

| | Notes | 2021 | 2020 |
|---|--------|------------------|--------------------|
| | | £ | £ |
| Cash flows from operating activities: | | | |
| Net income/expenditure for the year | | 619,036 | 442,331 |
| Adjustments for: | | | |
| Depreciation charges | 14 | 411,303 | 383,638 |
| Goodwill amortisation | | 21,459 | 21,464 |
| Dividends, interest and rents from investments | 8 | - | (5,844) |
| Finance charges | | 91,818 | 107,539 |
| (Increase)/decrease in stocks | | 33,701 | (27,192) |
| (Increase)/decrease in debtors | 17 | (201,392) | 179,978 |
| Increase/(decrease) in creditors | 18, 19 | (143,194) | 9,311 |
| Net cash provided by operating activities | | 832,731 | 1,111,225 |
| Cash flows from investing activities: | | | |
| Dividends, interest and rents from investments | 8 | - | 5,844 |
| Finance charges | | (91,818) | (107,539) |
| Purchase of tangible fixed assets | 14 | (627,379) | (1,178,535) |
| Net cash used in investing activities | | (719,197) | (1,280,230) |
| Cash flows from financing activities: | | | |
| New finance leases | | 19,094 | - |
| Capital element of hire purchase and finance leases | | (19,037) | (11,299) |
| New bank loans | | - | 1,730,000 |
| Repayments of borrowing | | (279,144) | (934,255) |
| Net cash provided by financing activities | | (279,087) | 784,446 |
| Change in cash and cash equivalents in the year | | (165,553) | 615,441 |
| Cash and cash equivalents at the beginning of the year | | 1,582,752 | 967,311 |
| Cash and cash equivalents at the end of the year | | 1,417,199 | 1,582,752 |
| Analysis of cash and cash equivalents | | | |
| Cash at bank and in hand | | 1,417,199 | 1,582,752 |
| Bank overdraft | | - | - |
| Total cash and cash equivalents | | 1,417,199 | 1,582,752 |

EDGE GROVE SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1 STATUTORY INFORMATION

The charity is a private company, limited by guarantee, registered in England and Wales. The registered office, company number and charity number are detailed in the Legal and Administrative Information.

2 ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared under the Companies Act 2006, The Charities Act 2011, in accordance with the Charities' Statement of Recommended Practice (SORP (FRS 102)) and Financial Reporting Standard 102.

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy.

After reviewing the charity's forecasts and projections (including a 12 month cash flow forecast), the Governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

The financial statements are prepared in sterling, which is the functional currency of the school. Monetary amounts in the financial statements are rounded to the nearest £.

2.2 Group financial statements

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary on a line by line basis. A separate Statement of Financial Activities (including income and expenditure account) for the charitable company has not been presented as the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

2.3 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The governors do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

2.4 Income

Fees receivable and charges for services, less any allowances, scholarships and bursaries granted by the school against those fees are accounted for in the period in which the service is provided. Where fees are received for a future service period they are included in deferred income, including those fees received under an advance fee payment scheme.

Investment income is accounted for on an accruals basis.

Donations, legacies, grants and other voluntary income are accounted for as and when entitlement arises, the amount can be reliably measured and the economic benefit is considered probable.

Where a donor or an appeal has imposed restrictions the income is credited to a restricted fund.

Rental income in the subsidiary company is accounted for under the accruals basis.

EDGE GROVE SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2.5 Expenditure

Expenditure is accounted for on an accruals basis with irrecoverable VAT included with the item to which it relates.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between expenditure categories and departments on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Freehold land is not depreciated

| | | |
|---|---|---------------------------|
| Freehold buildings | - | 2% straight line |
| Leasehold buildings | - | 2% straight line |
| Fixtures, fittings and equipment (including IT equipment at 25% straight line) | - | 10% and 25% straight line |
| Motor vehicles | - | 25% straight line |
| Leasehold improvements | | 5% straight line |

Minor items of capital expenditure are written off to the Statement of Financial Activities as incurred.

2.7 Goodwill

Goodwill arising on the acquisition of the subsidiary is being amortised over its useful life, which is deemed by the governors to be the period of the lease within the subsidiary company which expires in August 2031.

2.8 Investments

Fixed asset investment in the charity's subsidiary is included at cost less provision for impairment. The charity purchased the subsidiary to obtain rights to the lease of the nursery buildings. Accordingly the investment is being written down over the term of the lease after which time it is expected that the company will cease to trade.

2.9 Stock

Stock is valued at the lower of cost or net realisable value.

2.10 Leasing and hire purchase commitments

Rentals under operating leases are charged to income on a straight line basis over the term of the lease.

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and the useful life of the asset. Obligations under such agreements are included as creditors net of the finance charge allocated to future periods. The finance charge element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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2.11 Pensions

From the 1 September 2020 the school joined the Aviva APTIS scheme for Teachers. This is a defined contribution pension scheme. The school also contributes to personal pension schemes for its non-teaching staff.

Obligations for contributions to defined contribution pension plans are recognised as expenditure in the statement of financial activities in the periods during which services are rendered by employees.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount.

2.13 Cash at bank and in hand

Cash at bank and in hand includes cash and any short term highly liquid investments. The governors seek to use short and medium term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

2.14 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

2.15 Fund accounting

General funds and unrestricted funds are available for use at the discretion of the governors in furtherance of the general objectives of the charity and have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific funds. The aim and use of each restricted fund is set out in the notes to the financial statements.

3 TURNOVER

The turnover of the school and its subsidiary is wholly attributable to the objects of the school and the principal activity of the subsidiary as stated in the Governors' Report and is earned entirely within the UK.

4 NET INCOME/(EXPENDITURE)

This is stated after charging:

| | 2021 | 2020 |
|---|---------|---------|
| | £ | £ |
| Depreciation | 411,303 | 383,638 |
| Stock charged as an expense | 5,733 | 39,434 |
| Operating lease payments | 68,260 | 62,635 |
| Auditors' remuneration - audit services | 11,900 | 11,600 |
| Auditors' remuneration - non-audit services | 4,060 | 5,470 |

5 TAXATION

The charitable company is registered as a charity and all of its income falls within the exemptions under Part 11 of the Corporation Tax Act 2010.

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FOR THE YEAR ENDED 31 AUGUST 2021

6 INCOME FROM DONATIONS, GRANTS AND LEGACIES

| | UNRESTRICTED | DESIGNATED | RESTRICTED | TOTAL 2021 | TOTAL 2020 |
|------------------------|---------------|---------------|--------------|---------------|----------------|
| | £ | £ | £ | £ | £ |
| Donations | 10,585 | 23,724 | 3,645 | 37,954 | 23,624 |
| Furlough grants (CJRS) | 41,158 | - | - | 41,158 | 273,053 |
| | <u>51,743</u> | <u>23,724</u> | <u>3,645</u> | <u>79,112</u> | <u>296,677</u> |

7 INCOME FROM OTHER TRADING ACTIVITIES

| | UNRESTRICTED | DESIGNATED | RESTRICTED | TOTAL 2021 | TOTAL 2020 |
|---------------------|----------------|------------|------------|----------------|---------------|
| | | £ | £ | £ | £ |
| Lettings income | 40,199 | - | - | 40,199 | 23,222 |
| Rental income | 83,840 | - | - | 83,840 | 71,092 |
| Fund raising income | - | - | - | - | 4,598 |
| | <u>124,039</u> | <u>-</u> | <u>-</u> | <u>124,039</u> | <u>98,912</u> |

8 INCOME FROM INVESTMENTS

| | UNRESTRICTED | DESIGNATED | RESTRICTED | TOTAL 2021 | TOTAL 2020 |
|---------------------|--------------|------------|------------|---------------|---------------|
| Interest receivable | - | - | - | - | 5,844 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>5,844</u> |

9 INCOME FROM CHARITABLE ACTIVITIES

| | TOTAL 2021 | TOTAL 2020 |
|-------------------------------|------------------|------------------|
| | £ | £ |
| Gross school fees | 7,919,161 | 7,923,403 |
| less Covid-19 realignment | (226,560) | (626,315) |
| less bursaries and allowances | (638,528) | (652,893) |
| Net school fees | <u>7,054,073</u> | <u>6,644,195</u> |
| Add: | | |
| Registration fees | 17,823 | 21,969 |
| Extras income | 44,105 | 91,236 |
| Learning support income | 17,782 | 13,373 |
| Other ancillary income | 38,397 | 12,364 |
| | <u>7,172,180</u> | <u>6,783,137</u> |

10 OTHER INCOME

| | TOTAL 2021 | TOTAL 2020 |
|--|----------------|---------------|
| | £ | £ |
| Sundry income (including insurance claims) | <u>109,445</u> | <u>-</u> |

EDGE GROVE SCHOOL TRUST LIMITED
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11 ANALYSIS OF EXPENDITURE

| | Staff Costs £ | Depreciation £ | Other costs £ | Total 2021 £ | Total 2020 £ |
|-------------------------------------|------------------------------|---------------------------|------------------------------|-----------------------------|-----------------------------|
| Cost of raising funds: | | | | | |
| Other trading activities | - | - | - | - | 39,495 |
| Financing costs | - | - | 91,818 | 91,818 | 107,539 |
| Total cost of raising funds | - | - | 91,818 | 91,818 | 147,034 |
| Charitable expenditure: | | | | | |
| Education | | | | | |
| Teaching | 3,627,259 | 190,182 | 338,280 | 4,155,721 | 4,301,386 |
| Welfare | 205,598 | - | 451,940 | 657,538 | 609,428 |
| Premises | 250,558 | 221,122 | 520,508 | 992,188 | 905,048 |
| Support and governance | 570,787 | 21,464 | 376,224 | 968,475 | 779,343 |
| Total charitable expenditure | 4,654,202 | 432,768 | 1,686,952 | 6,773,922 | 6,595,205 |
| Total expenditure | 4,654,202 | 432,768 | 1,778,770 | 6,865,740 | 6,742,239 |

Analysis of support and governance costs:

| | 2021 £ | 2020 £ |
|---|-------------------|-------------------|
| Governance costs: | | |
| Auditors' remuneration for audit services | 11,900 | 11,600 |
| Support staff wages relating to governance | 14,654 | 14,655 |
| Total governance costs | 26,554 | 26,255 |
| Support costs: | | |
| Auditors' remuneration for non audit services | 4,060 | 5,470 |
| Legal and professional fees relating to support | 39,273 | 41,091 |
| Support staff wages, national insurance and pension | 570,787 | 513,378 |
| Other support costs | 327,801 | 193,149 |
| | 968,475 | 779,343 |

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12 STAFF COSTS

The average monthly number of full time equivalent employees during the year was:

| | 2021 | 2020 |
|----------------|---------------|---------------|
| | Number | Number |
| Teaching | 75 | 77 |
| Welfare | 11 | 12 |
| Premises | 7 | 7 |
| Administration | 14 | 14 |
| | 107 | 110 |

The aggregate payroll costs for the year were as follows:

| | 2021 | 2020 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 3,700,502 | 3,871,846 |
| Social security costs | 336,689 | 389,611 |
| Pension costs | 617,011 | 592,801 |
| | 4,654,202 | 4,854,258 |

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

Wages and salaries include £4,035 (2020: £nil) redundancy costs.

Staff earning in excess of £60,000 per annum in the following bands are:

| | 2021 | 2020 |
|---------------------|---------------|---------------|
| | Number | Number |
| £60,000 - £69,999 | 4 | 3 |
| £70,000 - £79,999 | 1 | 1 |
| £110,000 - £119,999 | 1 | - |
| £120,000 - £129,999 | - | 1 |

Of the employees whose emoluments exceed £60,000, 6 (2020: 1) have retirement benefits accruing under defined contribution schemes and nil (2020: 4) have benefits accruing under defined benefit schemes. Contributions payable by the charity to those schemes for higher paid employees were:

| | 2021 | 2020 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Defined contribution schemes | 74,300 | 16,963 |
| Defined benefits schemes | - | 61,165 |
| | 74,300 | 78,128 |

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12 STAFF COSTS - CONTINUED

The key management personnel of the school are detailed in the Governors' Report and Legal and Administrative Information. In 2021 there are 8 employees (2020: 10 employees).

| | 2021 £ | 2020 £ |
|--|----------------|----------------|
| Aggregate employee benefits of key management personnel (including employer pension and NI contributions) | <u>740,375</u> | <u>877,525</u> |

13 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES - 31 AUGUST 2020

| | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total 2020 £ |
|--------------------------------------|----------------------------|--------------------------|--------------------------|--------------------|
| INCOME FROM: | | | | |
| Donations and legacies | 295,462 | - | 1,215 | 296,677 |
| Other trading activities | 94,314 | 4,598 | - | 98,912 |
| Investments | 5,844 | - | - | 5,844 |
| Charitable activities | 6,783,137 | - | - | 6,783,137 |
| Total income | <u>7,178,757</u> | <u>4,598</u> | <u>1,215</u> | <u>7,184,570</u> |
| EXPENDITURE ON: | | | | |
| Raising funds | 143,338 | 3,696 | - | 147,034 |
| Charitable activities | 6,594,471 | - | 734 | 6,595,205 |
| Total expenditure | <u>6,737,809</u> | <u>3,696</u> | <u>734</u> | <u>6,742,239</u> |
| Net income/(expenditure) | 440,948 | 902 | 481 | 442,331 |
| Transfers between funds | - | - | - | - |
| Net movement in funds | <u>440,948</u> | <u>902</u> | <u>481</u> | <u>442,331</u> |
| Fund balances brought forward | 6,122,774 | 1,441 | 6,817 | 6,131,032 |
| Fund balances carried forward | <u>6,563,722</u> | <u>2,343</u> | <u>7,298</u> | <u>6,573,363</u> |

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14 TANGIBLE FIXED ASSETS - GROUP

| | Freehold Property | Short Leasehold Property | Fixtures, Fittings & Equipment | Motor vehicles | Total |
|------------------------|----------------------|--------------------------------|--------------------------------------|-------------------|------------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| At 1 September 2020 | 687,285 | 10,587,030 | 1,652,283 | 144,949 | 13,071,547 |
| Additions | - | 353,852 | 265,701 | 7,826 | 627,379 |
| Disposals | - | - | - | (60,728) | (60,728) |
| At 31 August 2021 | 687,285 | 10,940,882 | 1,917,984 | 92,047 | 13,638,198 |
| Depreciation | | | | | |
| At 1 September 2020 | 70,717 | 1,704,920 | 1,037,682 | 110,009 | 2,923,328 |
| Charge for year | 9,614 | 211,507 | 172,593 | 17,589 | 411,303 |
| Eliminated on disposal | - | - | - | (60,728) | (60,728) |
| At 31 August 2021 | 80,331 | 1,916,427 | 1,210,275 | 66,870 | 3,273,903 |
| Net Book Value | | | | | |
| At 31 August 2021 | 606,954 | 9,024,455 | 707,709 | 25,177 | 10,364,295 |
| At 1 September 2020 | 616,568 | 8,882,110 | 614,601 | 34,940 | 10,148,219 |

TANGIBLE FIXED ASSETS - SCHOOL

| | Freehold Property | Short Leasehold Property | Fixtures, Fittings & Equipment | Motor vehicles | Total |
|------------------------|----------------------|--------------------------------|--------------------------------------|-------------------|------------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| At 1 September 2020 | 687,285 | 10,581,580 | 1,652,283 | 144,949 | 13,066,097 |
| Additions | - | 353,852 | 265,701 | 7,826 | 627,379 |
| Disposals | - | - | - | (60,728) | (60,728) |
| At 31 August 2021 | 687,285 | 10,935,432 | 1,917,984 | 92,047 | 13,632,748 |
| Depreciation | | | | | |
| At 1 September 2020 | 70,717 | 1,701,301 | 1,037,682 | 110,009 | 2,919,709 |
| Charge for year | 9,614 | 211,415 | 172,593 | 17,589 | 411,211 |
| Eliminated on disposal | - | - | - | (60,728) | (60,728) |
| At 31 August 2021 | 80,331 | 1,912,716 | 1,210,275 | 66,870 | 3,270,192 |
| Net Book Value | | | | | |
| At 31 August 2021 | 606,954 | 9,022,716 | 707,709 | 25,177 | 10,362,556 |
| At 1 September 2020 | 616,568 | 8,880,279 | 614,601 | 34,940 | 10,146,388 |

ASSETS ON FINANCE LEASES AND HIRE PURCHASE - GROUP AND SCHOOL (included above)

| | Fixtures, Fittings & Equipment £ |
|-----------------------|---|
| Cost | |
| At 1 September 2020 | 41,137 |
| Additions | - |
| At 31 August 2021 | 41,137 |
| Depreciation | |
| At 1 September 2020 | 17,140 |
| Charge for year | 10,284 |
| At 31 August 2021 | 27,424 |
| Net Book Value | |
| At 31 August 2021 | 13,713 |
| At 1 September 2020 | 23,997 |

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15 INVESTMENTS IN SUBSIDIARIES

| | 2021 £ |
|--|----------------|
| Cost | |
| At 1 September 2020 and 31 August 2021 | <u>317,822</u> |
| Impairment | |
| At 1 September 2020 | 79,913 |
| Impairment in year | 21,790 |
| At 31 August 2021 | <u>101,703</u> |
| Net book value | |
| At 31 August 2021 | <u>216,119</u> |
| At 1 September 2020 | <u>237,909</u> |

The school owns 100% of the share capital of the following company:
Edge Grove Nursery School Limited, company number 03830269, registered in England and Wales
(purchased 19 December 2016)

| | 2021 £ |
|---------------------------------------|--------------|
| Summary trading results: | |
| Turnover | 63,500 |
| Administrative expenses | (63,592) |
| Net profit/(loss) | <u>(92)</u> |
| Summary balance sheet: | |
| Fixed assets | 1,739 |
| Current assets | - |
| Creditors falling due within one year | - |
| Net assets | <u>1,739</u> |
| Aggregate share capital and reserves | <u>1,739</u> |

Contribution by parent company

The parent charity contribution to the results for the year is as follows:

| | 2021 £ | 2020 £ |
|---------------------------------------|----------------|----------------|
| Income | 7,484,776 | 7,184,570 |
| Expenditure | (6,865,979) | (6,742,456) |
| Net income/(expenditure) for the year | <u>618,797</u> | <u>442,114</u> |

16 GOODWILL ON CONSOLIDATION

| | £ |
|--|----------------|
| Cost | |
| At 1 September 2020 and 31 August 2021 | <u>314,891</u> |
| Amortisation | |
| At 1 September 2020 | 78,787 |
| Amortisation for year | 21,459 |
| At 31 August 2021 | <u>100,246</u> |
| Net Book Value | |
| At 31 August 2021 | <u>214,645</u> |
| At 1 September 2020 | <u>236,104</u> |

EDGE GROVE SCHOOL TRUST LIMITED

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FOR THE YEAR ENDED 31 AUGUST 2021

17 DEBTORS

| | Group | | School | |
|--------------------------------|----------------|----------------|----------------|----------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Fee debtors | 170,924 | 335 | 170,924 | 335 |
| Prepayments and accrued income | 113,551 | 81,217 | 113,551 | 81,217 |
| Other debtors | 17,321 | 18,852 | 17,321 | 18,852 |
| | 301,796 | 100,404 | 301,796 | 100,404 |

18 CREDITORS: due within one year

| | Group | | School | |
|----------------------------------|------------------|------------------|------------------|------------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Bank loans and overdrafts | 473,669 | 260,609 | 473,669 | 260,609 |
| Finance leases and hire purchase | 22,464 | 17,641 | 22,464 | 17,641 |
| Trade creditors | 80,169 | 28,791 | 80,169 | 28,791 |
| Accruals | 144,203 | 238,480 | 144,203 | 238,480 |
| Fees in Advance | 416,256 | 335,191 | 416,256 | 335,191 |
| Advance fee payment scheme | 368,051 | 148,204 | 368,051 | 148,204 |
| Deposits | 44,100 | 40,000 | 44,100 | 40,000 |
| Other taxes and social security | 92,492 | 102,878 | 92,492 | 102,878 |
| | 1,641,404 | 1,171,794 | 1,641,404 | 1,171,794 |

Fees in advance represent fees received for the Autumn term 2021.

19 CREDITORS: due after one year

| | Group | | School | |
|----------------------------------|------------------|------------------|------------------|------------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Bank loans | 2,947,608 | 3,439,812 | 2,947,608 | 3,439,812 |
| Finance leases and hire purchase | 10,348 | 15,114 | 10,348 | 15,114 |
| Advance fee payment scheme | 167,409 | 557,715 | 167,409 | 557,715 |
| Deposits | 344,500 | 349,115 | 344,500 | 349,115 |
| | 3,469,865 | 4,361,756 | 3,469,865 | 4,361,756 |

20 ADVANCE FEE PAYMENT SCHEME

| | £ |
|------------------------------|----------------|
| Balance at 1 September 2020 | 705,919 |
| New contracts | 272,243 |
| Amounts used to pay for fees | (442,702) |
| Balance at 31 August 2021 | 535,460 |

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20 ADVANCE FEE PAYMENT SCHEME - CONTINUED

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

| | £ |
|-------------------|----------------|
| Within one year | 368,051 |
| Within 1 -5 years | 167,409 |
| | <u>535,460</u> |

21 ANALYSIS OF SECURED DEBTS - SCHOOL AND GROUP

| | 2021 £ | 2020 £ |
|--|------------------|------------------|
| Bank loans are wholly repayable in instalments as follows: | | |
| Less than one year | 473,669 | 260,650 |
| In more than one year but less than five years | 2,947,608 | 3,328,414 |
| In more than five years | - | 111,398 |
| | <u>3,421,277</u> | <u>3,700,462</u> |

The bank overdraft facility and loans are secured by a first land charge over 3 Horwood Cottages, 9 & 11 High Cross and 1 & 2 Roundbush Cottages along with a debenture in favour of Barclays Bank plc.

The bank loans are due to mature in 2023 and 2024, they have floating interest rates with a margin of 1.75% and 2.75%. There is also a CBIL loan which has a floating interest rate with a margin of 2%. This CBIL loan is repayable in 2026. All loans are being repaid in monthly instalments.

Net obligations payable under hire purchase and lease contracts:

| | 2021 £ | 2020 £ |
|----------------------------|---------------|---------------|
| Within one year | 22,464 | 17,641 |
| Between one and five years | 10,348 | 15,114 |
| | <u>32,812</u> | <u>32,755</u> |

22 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2021 the school had total commitments under non-cancellable operating leases payable as follows:

| | Land & Buildings | | Other | |
|----------------------------|------------------|------------------|---------------|---------------|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Within one year | 50,000 | 50,000 | 25,272 | 25,632 |
| Between one and five years | 200,000 | 200,000 | 46,056 | 61,272 |
| Over five years | 1,150,000 | 1,200,000 | - | - |
| | <u>1,400,000</u> | <u>1,450,000</u> | <u>71,328</u> | <u>86,904</u> |

Additionally, Edge Grove Nursery School Ltd has lease commitments on property totalling £762,000 over the term of the lease, which expires in August 2031, from an annual rent charge of £63,500.

23 SHARE CAPITAL AND CONTROL

The charity is limited by guarantee and does not have any share capital. In the event of a winding up each member guarantees to contribute an amount of no more than £1.

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24 RELATED PARTIES

The school has taken advantage of the exemption, under Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

During the year, the School incurred costs for the recruitment of a new Bursar totalling £8,500 with a company of which a Governor (D.Williams) is a director. There were no related party transactions in 2020.

26 SUMMARY OF FUND MOVEMENTS

| | At 1.9.20 | Income | Expenses | Transfers | Gains/ (losses) | At 31.8.21 |
|---------------------------|------------------|------------------|--------------------|--------------|--------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Unrestricted funds | | | | | | |
| Designated Funds | 2,343 | 23,724 | (10,452) | (941) | - | 14,674 |
| General reserves | 6,563,722 | 7,457,407 | (6,849,736) | 1,422 | - | 7,172,815 |
| | <u>6,566,065</u> | <u>7,481,131</u> | <u>(6,860,188)</u> | <u>481</u> | <u>-</u> | <u>7,187,489</u> |
| Restricted Funds | | | | | | |
| Bursary & Hardship funds | 7,298 | 3,645 | (5,552) | (481) | - | 4,910 |
| | <u>7,298</u> | <u>3,645</u> | <u>(5,552)</u> | <u>(481)</u> | <u>-</u> | <u>4,910</u> |
| Total funds | <u>6,573,363</u> | <u>7,484,776</u> | <u>(6,865,740)</u> | <u>-</u> | <u>-</u> | <u>7,192,399</u> |

Unrestricted funds:

The governors have designated funds raised by the Friends of Edge Grove and from other fund raising activities toward future capital and maintenance projects.

Restricted funds:

The bursary fund represents donations from leavers towards future bursary provisions. The school also raised monies during the year toward a COVID-19 Hardship fund.

27 ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total 2021 £ |
|-------------------------------|----------------------------|--------------------------|--------------------------|--------------------|
| 31st August 2021 | | | | |
| Fixed assets | 10,578,940 | - | - | 10,578,940 |
| Current assets | 1,705,144 | 14,674 | 4,910 | 1,724,728 |
| Creditors: less than one year | (1,641,404) | - | - | (1,641,404) |
| Creditors: over one year | (3,469,865) | - | - | (3,469,865) |
| | <u>7,172,815</u> | <u>14,674</u> | <u>4,910</u> | <u>7,192,399</u> |
| | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total 2020 £ |
| 31st August 2020 | | | | |
| Fixed assets | 10,384,323 | - | - | 10,384,323 |
| Current assets | 1,712,949 | 2,343 | 7,298 | 1,722,590 |
| Creditors: less than one year | (1,171,794) | - | - | (1,171,794) |
| Creditors: over one year | (4,361,756) | - | - | (4,361,756) |
| | <u>6,563,722</u> | <u>2,343</u> | <u>7,298</u> | <u>6,573,363</u> |

28 CAPITAL COMMITMENTS

During the previous year the school completed a project to construct a new lower school building. The works were completed in November 2019 and a final account has not yet been agreed with the contractors. The total amount contracted for but not provided for in the financial statements in relation to this project is £117,272.