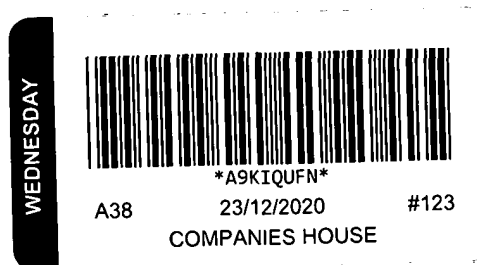


Registered number: 02093340
Charity number: 296491

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



**SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and Administrative Details of the School, its Governors and Advisers	1
Governor's report	2
Independent Auditors' Report on the Financial Statements	11 - 13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 38

**SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2020**

Governors	Rosemary Carr, Chair Andy Flint Christopher Hobbs (resigned 31 August 2020) Adam Matthews Tim Niblock (resigned 31 August 2020) Nick Pyatt Andrew Ward (resigned 31 December 2019) Jonathan Coates (resigned 8 October 2020) Victoria Hemming Cecilia Bufton (appointed 10 January 2020) Julie Cook (appointed 10 January 2020) Daniel Lloyd Jameson Miller (appointed 10 January 2020) Stephen Voller (appointed 10 January 2020)
Company registered number	02093340
Charity registered number	296491
Registered office	Sidcot School Oakridge Lane Winscombe North Somerset BS25 1PD
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 10 Temple Back Bristol BS1 6FL
Bankers	Lloyds Bank plc Bath Street Cheddar BS27 3AB
Solicitors	Harrison Clark Rickerbys Limited Ellenborough House Wellington Street Cheltenham GL50 1YD

**SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

The Governors, who are also the Directors of the School for the purpose of the Companies Act and Trustees for the purposes of the Charities Act (but hereinafter are referred to as Governors), present their annual report and the audited financial statements for the year ended 31 August 2020. The annual report serves the purpose of both a Trustees' Report and a Directors' Report under company law. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, applicable Accounting Standards in the United Kingdom, the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2015), the Companies Act 2006 and subsequent regulations. The School is registered as an educational charity (charity number 296491). The School was incorporated as a company limited by guarantee and not having a share capital on 26 January 1987. The School's Governors and the Executive Officers are listed on pages 1 and 7.

OBJECTIVES AND ACTIVITIES

a. Policies and objectives

In setting their objectives and planning their activities the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee charging.

The School endeavours to widen public access to the education that it offers, to optimise the use of its cultural and sporting facilities and to develop in its students an awareness of the social context of the all round education that they receive. The School makes its facilities available to a number of local groups and clubs and is mindful of its position as a thriving independent school in a rural location.

b. Aims

Sidcot School's aim is to provide a first class independent education, encouraging individuals to believe in and explore their own potential. Its Quaker philosophy underpins all that it does and is fundamental to its existence. The School aims to provide a broad and liberal education across a wide range of subjects. Its students achieve excellence in many areas. The School encourages creativity and individuality and strongly believes that every child has immense potential to succeed in an environment relatively free of peer group pressure. The School places great emphasis on personal development in the broadest sense and aims to ensure its students leave Sidcot as tolerant, well balanced individuals who want to make a difference in the world.

From an early age, Sidcot students experience a community where it is clear that independent thought is encouraged and curiosity is a way of life. We aim to educate the whole person, to equip our students with practical and personal skills alongside their academic qualifications. We use imaginative teaching methods to encourage students to see learning as an exciting creative journey in which everyone can take part; a journey that does not end when they leave school or higher education. We know we have succeeded when our young people go out into the world with an insatiable interest in all that life has to offer.

Sidcot students are encouraged to see school as a place to explore and experiment, to follow their instincts and develop their interests. They work together in small classes, in an atmosphere of optimism and enquiry. We are proud that former students are often described as people who can 'talk to anyone'. Lifelong friendships are made at Sidcot – and a lasting love of learning.

Of course, what matters at school doesn't just happen in the classroom. Sidcot is set in a magnificent rural location and our students develop an understanding and respect for the natural world. They also have access to great facilities for sports, outdoor learning, arts, crafts, music and performance, as well as opportunities to work with community groups and charities, and to get involved with local business projects.

We nurture students into becoming authentic and insightful young people who are skilled in self-awareness and who value their emotional life. They are encouraged to take responsibility for their

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

wellbeing and to value emotional intelligence. As a result they develop a confidence that is rooted in a deep understanding of who they are and what they value in the world. Every week the whole school joins together for a period of shared silent reflection in our 19th century Quaker Meeting House. Through this regular practice, students learn the benefits of calm in daily life.

During their time at the school students learn to express their own opinions and to listen with interest to the views of others. Everyone is encouraged to contribute to discussion and debate: not taking over and not opting out.

In this way students develop an enthusiasm for collaboration and co-creation. In a truly international environment, their fellow students are often people whose stories are very different from their own: people from different backgrounds, different countries, races and religions, and people with different abilities. In this stimulating and diverse social environment, students live and learn together in an atmosphere of cheerful kindness and mutual respect.

STRATEGIC REPORT

Achievements and performance

a. Going concern

After making appropriate enquiries, the Governors have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. The Governors have given careful consideration to both the short and long term cash flow forecasts, and are in the process of reviewing options for reducing costs over the next 5 years. The current levels of cash and unrestricted reserves, combined with an increase in demand for day pupil places and a robust Online Supported Learning programme, will allow the School to mitigate the risk from a reduction in overseas boarders as a result of the Covid-19 pandemic. For this reason the Governors continue to adopt the going concern basis in preparing the financial statements.

b. Public benefit

Prior to the lockdown in March 2020, Sidcot School continued to provide access to its facilities to the local and wider community, with a considerable number of community groups making use of our swimming pool, sports facilities, arts centre and concert hall.

In the Sports Centre we offer discounted rates to local Primary Schools, sports clubs and community groups. We have provided a central venue competition for the Weston and District Netball League and our all-weather pitch has been made available to local schools and community groups for 200 hours at no cost, and discounted rates offered to Winscombe Hockey club and to local football clubs. We have supported Winscombe Rugby club with their O2 Touch rugby programme. We also provide land to Winscombe Rugby club for their pitches, and share the use of an all-weather rugby training area.

We provide the Junior School Hall venue to a rugby franchise - RugbyTots, which provides rugby activities to children aged 2 to 7 years in the local community. They also run a number of open day free sessions to attract children in the local community.

Our Arts Centre provides access to a number of local groups including choirs and orchestras and we regularly host the Young Musician Rotary Competition and local Parish Council meetings. We also host regular talks and seminars which are attended by members of the local community, and have given access to local businesses to run events at discounted rates.

Our Careers and Progression Advisor attends a termly Careers Network at Priory Community School to discuss current initiatives and share information & good practice. This is attended by local schools

**SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

and colleges in North Somerset. Sidcot's Head Librarian arranges author visits to the school for our students as well as a range of other local primary and middle schools.

As part of regular clubs and activities, Sidcot offers a broad range of volunteering experiences that serve those in our local area and equip students with the essential skills and values required when living and working within the wider community. These activities include gardening renovation, visiting elderly people, and community IT training.

Several members of the Senior Management Team are Governors at local schools. Our Headmaster is the Chair of a local Multi Academy Trust in Weston super Mare, which provides support and expertise to primary schools in disadvantaged areas of the town to improve the life chances of their students. One of our Assistant Heads is also a Trustee of this MAT and sits on their Education strategy group, helping with the Academic reviews of the Primary Schools and acting as the safeguarding link Trustee. Another of Sidcot's Assistant Heads, is a trained Youth Mental Health First Aider and has trained four members of staff from the MAT schools. These trained staff are now disseminating that practice through the MAT schools and regularly attend the Safeguarding team meetings.

As a further part of the link with local schools, two plays and a variety of workshops, delivered by Sidcot Drama specialists have been taken out into a variety of the schools. The students from both schools then work together using a range of Sidcot's resources, including costumes, props and musical instruments, to produce high quality, aspirational work of their own. A further part of this Outreach work has been visits to a local SEN school where Sidcot students have performed and worked with students who have a wide range of learning, physical and emotional needs.

c. Bursaries and scholarships

The Governors have approved a policy of using a proportion of the School's unrestricted funds each year to provide for bursaries and scholarships to support the education of a range of students, who might not otherwise be able to attend the School.

In 2019/20 195 children were in receipt of bursaries and scholarships from the School ranging from 10% to 100% depending on need, circumstances and their parents' ability to pay.

Bursaries provide financial support to children whose families cannot afford private education and are open to all students at the School. Applications for bursaries are considered by a small committee, including one Governor, and awards made are based on the financial circumstances of the applicant. All bursaries are means tested and reviewed annually. This year awards totalling in excess of £696,000 (2019: £665,000) of bursaries and scholarships were made.

The School is extremely grateful for the support it receives from the Sidcot Bursary Trust (SBT). The trust is independent of the School but was set up to provide assistance to parents of children who already attend the School and due to a change in circumstances need short term financial support to keep their child at Sidcot. In 2019/2020 the SBT provided over £26,000, supporting 8 children at an average of 26% of fees.

Scholarships are awarded for academic, arts, sports, and all-round ability, and may be supported by a means tested bursary.

d. Review of activities

The number of students on the roll at the end of the year under review was 594 (2019: 596).

The School has developed a reputation for shunning the 'exam factory' approach to education and instead it prides itself on developing a love for learning in its students. This offers a platform to achieve impressive results without the need for the stressful 'hot house' style of schooling.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Students at Sidcot School celebrated an impressive set of GCSE results, once again significantly above the national average. Sidcot students achieved 46% of grades between 9 to 7 (equivalent to A* to A) with 95.2% of scores between 9 and 4 (equivalent to A* to C).

This year's International Baccalaureate results saw our students posting some truly outstanding scores. The IB is an internationally renowned alternative to A Levels and this year Sidcot students achieved an average point score of 33.7. This maintains the School's place above the world average of 29.9 and puts Sidcot students in an extremely strong position to accept places at top universities. The IB allows students to study six subjects, alongside an extended essay, as well as taking part in voluntary activities. All our pupils passed the IB Diploma and one student achieved 44 points out of 45.

Our A Level students achieved 32.5% A* to A and 84.2% A* to C. Many of our Yr13 students took the Extended Project Qualification, with 40% attaining an A*/A grade and 80% A* to C. At Sidcot we take a great deal of pride in supporting students to progress to employment or the next stage of their academic journey. Of those students going to university in 2020, 96% of applicants were successful in gaining a place at their first choice university and with 43% gaining a place at a Russell Group institution.

FINANCIAL REVIEW

a. Review of financial activities and results

The results for the year and financial position of the School are as shown in the financial statements. The net outgoing resources for the year were £849,646 (2019: £285,336 incoming) before taking into account bequests and donations of £930,075 (2019: £71,434).

Following the Government's decision to close all schools in March 2020, Sidcot gave partial refunds to both boarding and day pupils. Other income for the School was also impacted by the cancellation of lets during the Summer holidays, and a reduction in non-fee income from the Sports Centre. This adverse impact on income during the year was partially offset by claims to the Government's Job Retention Scheme, and by savings made from the main site operating at reduced capacity.

In response to the pandemic the School established a Hardship Fund for those parents directly impacted financially. Several donations were received towards the Fund which enabled significant numbers of pupils to remain at Sidcot during this difficult period. Fee income after scholarships and bursaries decreased by 6.5% to £9.0m (2019: 0.1% increase to £9.7m). Scholarships, bursaries, remissions and other grants made to pupils totalled £1,457,897 (2019: £1,368,040), which represents 14.1% of gross fee income (2019: 12.0%). Resources expended was consistent year on year at £10.2m (2019: £10.2m).

b. Investment policy and performance

The School uses the investment management company Smith and Williamson to invest on their behalf in accordance with the School's investment policy. This policy reflects the School's ethical investment criteria with a balance between capital growth and income. Responsibility for monitoring performance rests with the Finance Director and the Governors. Investments returned a 4.8% loss (2019: 2.0% gain) during the year. This reflected a decrease in value of approximately 8.4% (2019: 2% increase) and a revenue return of approximately 3.6% (2019: 4.0%). The Governors believe that the return was comparable with returns on similar investments and that it reflected the prevailing conditions on world markets.

**GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

c. Reserves policy

The Governors consider that it is important that unrestricted reserves should be increased over the next 5 years in order to safeguard the long term future of the School. Sidcot School does not have large endowment funds, and therefore these reserves are required in order to increase the School's resilience and capacity to manage unforeseen circumstances in the future. However, in light of the unresolved Coronavirus pandemic, it is unlikely that this objective of increasing reserves will be attainable for the foreseeable future.

The School's unrestricted funds stood at £11.1m at year end, of which £12.3m was deployed as part of the School premises and equipment, with £0.3m of external funding being secured on the premises and equipment leaving negative free reserves of £0.9m.

d. Restricted funds

The School maintains a number of restricted funds. The William Norman Bequest was made for the purpose of funding a music bursary and the Mary Blaschko grant was given to fund a Sixth Form bursary. There are a number of other smaller bursary and prize funds.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Governing document

The earliest Trust Deed dates from 1809, the Trust being set up "for the purpose of establishing and supporting a School for the education of the children of persons being members of the Society of Friends (commonly called Quakers)". The School's objects are now set out in the Memorandum and Articles of Association, which date from 1987 and which provide for the operation of the School "in accordance with the principles of the Religious Society of Friends for the education of the children of members of Society of Friends and others". The articles were brought up to date during the year.

b. Group structure and relationships

The School has two wholly owned non-charitable subsidiary companies, Sidcot Leisure Activities Limited and Sidcot International Limited. A linked charitable trust, Sidcot School Trust, registered with the Charity Commission on 15 September 2006, has been created in order to hold the permanent endowment property of the School in accordance with a Charity Commission Scheme dated 19 July 2006.

c. Recruitment and training of governors

The Board's Governance and Membership Committee works in partnership with Sidcot Quaker General Meeting's Nomination Committee to identify and nominate prospective governors. The Articles provide that a majority of Board Members would be persons who were:

- (a) active in a Quaker Meeting or Organisation, or
- (b) in the discernment of the Quaker General Meeting's Nominations Committee, were of such a conviction that they would promote and uphold Quaker Values in the governance, management and life of Sidcot School.

The Nominations Committee of Sidcot General Meeting and the Board's Governance and Membership Committee take into account eligibility, personal competence, specialist skills and local availability.

New Governors are inducted into the workings of the School prior to the date of formal appointment. A Governor training programme is in place, including third party training as appropriate.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

d. Pay policy for senior staff

The Governors consider that the Senior Leadership Team are the key management personnel of the School in charge of directing and controlling, running and operating the Trust on a day to day basis. The pay of senior staff is reviewed annually, along with all members of staff and pay rises may be awarded in line with cost of living increases. The School has established pay scales that have been approved by the Board of Governors and remuneration for all members of staff, including senior staff, is set in accordance with these pay scales.

All Governors give their time freely and no Governor received remuneration for being a Governor in the year. Details of Governors' expenses and related party transactions are disclosed in the notes to the accounts.

e. Organisational structure and decision making

The Board of Governors, as the Trustees of the Charity and as the Directors of the registered company, are legally responsible for the overall management and control of Sidcot School. They meet formally at least five times a year. During this year there was one Board committee, the Governance and Membership Committee, which met throughout the year as required. Governors are attached to a specific Head of Faculty or Business Department, to provide a link to the Board. There were Governor members of committees and working groups in the areas of Education, Finance, Digital, Peace and Global Studies, Alumni and Development, International Development, Boarding Strategy and Marketing, and there were Governor representatives on the Health and Safety Committee. Day to day management is delegated to the Senior Management Team, which, during the year, comprised:

Headmaster	-	Iain Kilpatrick*
Deputy Head Pastoral	-	Joanna Leite* (appointed 1 September 2019)
Deputy Head Academic	-	Christian Hughes*
Head of Junior School	-	Natalie Bone * (appointed 1 January 2020)
Director of Operations	-	Hilary Atkin*
Director of Finance	-	Steve Harris*
Director of External Relations	-	Angela Dudley-Warde
IT Development Director	-	James Russell
Assistant Head Teaching and Learning	-	Charlotte Resuggan
Assistant Head Co-ordination	-	Matthew Curtis-Dyke
Assistant Head Pastoral	-	Veronika Chidemo
Assistant Head Upper School	-	Tom Ruddle (appointed 1 September 2019)

*Senior Leadership Team

f. Risk management

The Governors examine the major risks that the School faces each financial year when preparing and updating the development plan. The School has developed systems to monitor and control these risks to mitigate any impact that they may have in the future. A detailed risk register is reviewed on an annual basis by the Governors and senior leadership. This register covers the following areas of risk: strategic, operational, people, finance, governance, external and legal. The review process assesses the current level of risk in each area and highlights control measures, responsibility and how each process is monitored. Action plans are developed where a target risk level has been set which would reduce the current residual risk.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The key control measures in place at the School include:

- Comprehensive safeguarding procedures for the protection of children
- Detailed strategic planning, budgeting and management accounts
- A clear Health and Safety policy and an in-depth risk assessment process
- Formal written policies and procedures covering all aspects of the School's work
- Clear authorisation and approval levels.

The key risk facing the School is the effect of economic uncertainty associated with the current Covid-19 pandemic. During the year fee reductions were given to parents whilst the main site was not able to remain open for pupils, however the School was able to access the Government's Job Retention Scheme which partially mitigated some of the reduction in income. During the period of 'lock-down' the School was able to continue a full education programme through our Online Supported Learning. A robust action plan has been implemented and contingency plans are in place to ensure that boarding facilities remain open during the holiday times for those pupils who are unable to return home. Other significant risks are associated with the UK's withdrawal from the EU, and the financial impact of the next valuation of the Teachers' Pension Scheme. In the opinion of the Governors, the School has established resources and review systems which, under normal conditions, should allow risks to be mitigated to an acceptable level in its day-to-day operations.

Future developments

The School Strategic plan sets out the strategic direction of Sidcot for the next five years as agreed by the Board of Governors and Senior Management Team. It reconfirms a vision for Sidcot and set of values which accord with those of the Religious Society of Friends (Quakers). It also states the long-range business objectives of the School. Thereafter, the strategic plan is divided into four overarching themes:

1. Student Experience
2. Personal Development
3. Community and Outreach
4. Business Development

Each theme is overseen by a member of the Senior Leadership Team (SLT) who report directly to the Headmaster. Members of the Senior Management Team (SMT) are given delegated responsibility of strategic drivers within each theme, which cover key performance areas within the whole-school offer. Strategic drivers have performance measures that quantify success that allow monitoring and measurement over time. Significant specific performances measures are adopted as KPIs. The strategic plan is evaluated annually by the Senior Management Team and summary of this reported to the Board of Governors by the Headmaster.

Whilst the School Improvement Plan has been drawn together by the Senior Management Team (SMT) and provides clear and purposeful evidence of working towards Sidcot's strategic goals over the next twelve-month period, it must be read in conjunction with the Covid-19 Action Plan.

The Covid-19 Action Plan is a live document that is modified in response to changes in the School Covid-19 Risk Assessments. At the time of writing there are extensive measures in place to ensure the School environment is as Covid-safe as possible. For example, the student body is divided into distinct 'Bubbles' for all activities. Control measures go beyond the current Government guidelines with facemasks being worn by everyone when circulating within the School. There are clear procedures for managing an incident of Covid-19 affecting the School community. The Covid-19 Risk Assessment is regularly reviewed and updated.

The Covid-19 Action Plan is now part of School life and with this in place the School continues to develop in line with the four strategic themes of the School Improvement Plan.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Taking the four strategic themes in turn:

1. Within the Student Experience theme we are being very deliberate about supporting our staff to deliver the best possible teaching to our students. School wide student achievement tracking and target setting is important in ensuring our students are making the very best progress. From this it is possible to identify those students who are not performing to the expected level at an early stage and implement appropriate interventions to improve their outcomes. There are also other initiatives planned to consistently improve our Value-Added score (VA), at faculty, department and whole-school levels and to deepen the use of the Sidcot Learning Wheel within everyday learning.

We have a number of initiatives underway to enhance our offer, particularly at Sixth Form, such as increasing BTECs, accreditation for our Careers Service, extending the outdoor learning initiative and increasing the diversity of extra-curricular activities on offer.

With the appointment of the AHT (Upper School) now in place the review of the Sixth Form offer and development of all aspects of this offer is well underway. This includes the plans for the development of the physical space for the Sixth Form.

2. The pastoral care of students is a high priority and there are a number of initiatives planned to provide continued progress in the Personal Development theme. We plan to review the job descriptions of Tutors and remuneration for Year Heads, seek feedback on the PHSE programmes to develop them where necessary, and integrate pastoral targets into professional development reviews. Wellbeing and Mental health also feature prominently in the plan with this area under constant development, and with a particular focus on delivering Youth Mental Health First Aid courses to staff and 6th Form students.

3. As part of our commitment to our Community and Outreach theme, we plan to continue to develop the influence of Peace and Global Studies within our school community as well as making it a distinctive feature of Sidcot to external stakeholders. This will be integral to the development of our bridging curriculum. We also plan to connect with other Quaker organisations across the world. In the boarding community we plan to ensure that there is operational uniformity across the houses whilst retaining each house identity.

4. We anticipate that the market for independent education will continue to be challenging, with extrinsic factors, most presently the Covid-19 pandemic placing strain on our business model. With this in mind, we have prioritised the following in the Business Development theme of the 2020/21 plan:

- Our retention strategy has now been more fully developed and we expect the school wide implementation to pay dividends.
- We intend to continue with the capital fundraising campaign to raise funds to help finance our plans to develop the Sixth Form Centre, Inner Quad and Trevelyan Library, with a target figure for fundraising of £500k.
- We will continue to focus on building our international boarding numbers following a reduction in recent years. In response to the gap in the market for short-stay, younger international boarders, we have developed and will be implementing a new programme, called Junior Pathway, which we will start in September 2020. We will also be focussing on the Year 11 Pathway recruitment which has been significantly affected by the uncertainty caused by the Coronavirus.

This School Improvement Plan balances the need to consolidate existing initiatives with innovations that respond quickly to a changing and challenging market. However, there is a business imperative to develop as many strategic levers as possible to allow the best chances of prevailing in volatile and uncertain political and economic conditions. At Sidcot, we are fortunate to have a hard-working and committed group of individuals both on the SMT and Board of Governors, without whom the actions outlined in this plan would not become operational.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also the directors of the School 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).

Company law requires the Governors to prepare financial statements for each financial year. Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the School and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the School's transactions and disclose with reasonable accuracy at any time the financial position of the School and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Governors at the time when this Governors' Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Governors will propose a motion reappointing the auditors at a meeting of the Governors.

Approved by order of the members of the Board of Trustees on 5/12/20 and signed on their behalf, by:



R Carr
Chair of Governors

**SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIDCOT SCHOOL

OPINION

We have audited the financial statements of Sidcot School (the 'school') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

The Governors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

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.

**SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIDCOT SCHOOL (CONTINUED)

OPINION 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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report and the 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report including the Strategic Report.

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

**SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIDCOT SCHOOL (CONTINUED)

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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



David Butler FCA, DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date: 14/12/20

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	4	270,802	-	-	270,802	71,434
Fees and other fee related income		9,039,954	-	-	9,039,954	9,666,938
Other trading activities	6	315,320	-	-	315,320	578,942
Investments	7	19,573	33,424	-	52,997	62,735
Other income	8	696,450	-	-	696,450	155,512
TOTAL INCOME AND ENDOWMENTS		10,342,099	33,424	-	10,375,523	10,535,561
EXPENDITURE ON:						
Raising funds:	9					
Trading activities		562,328	-	-	562,328	559,312
Other raising funds		17,615	-	-	17,615	27,175
Charitable activities		9,605,500	33,424	-	9,638,924	9,629,408
TOTAL EXPENDITURE		10,185,443	33,424	-	10,218,867	10,215,895
Net (losses)/gains on investments		(27,081)	(48,146)	-	(75,227)	31,104
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		129,575	(48,146)	-	81,429	350,770
Actuarial (losses)/gains on defined benefit pension schemes	22	(1,000)	-	-	(1,000)	6,000
NET MOVEMENT IN FUNDS		128,575	(48,146)	-	80,429	356,770
RECONCILIATION OF FUNDS:						
Total funds brought forward		10,959,429	1,021,320	373,504	12,354,253	11,997,483
Net movement in funds		128,575	(48,146)	-	80,429	356,770
TOTAL FUNDS CARRIED FORWARD		11,088,004	973,174	373,504	12,434,682	12,354,253

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 38 form part of these financial statements.

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:02093340

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	13	12,316,085	12,614,012
Investments	14	1,477,695	1,552,922
		<u>13,793,780</u>	<u>14,166,934</u>
CURRENT ASSETS			
Debtors	15	370,466	370,643
Cash at bank and in hand		2,835,711	2,878,414
		<u>3,206,177</u>	<u>3,249,057</u>
Creditors: amounts falling due within one year	16	(3,574,216)	(3,859,868)
NET CURRENT LIABILITIES		<u>(368,039)</u>	<u>(610,811)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>13,425,741</u>	<u>13,556,123</u>
Creditors: amounts falling due after more than one year	17	(836,059)	(1,016,870)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>12,589,682</u>	<u>12,539,253</u>
Defined benefit pension scheme liability	22	(155,000)	(185,000)
TOTAL NET ASSETS		<u>12,434,682</u>	<u>12,354,253</u>
CHARITY FUNDS			
Endowment funds	18	373,504	373,504
Restricted funds	18	973,174	1,021,320
Unrestricted funds	18	11,088,004	10,959,429
TOTAL FUNDS		<u>12,434,682</u>	<u>12,354,253</u>

The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:



Rosemary Carr
Chair of Governors

Date: 7.12.20

The notes on pages 17 to 38 form part of these financial statements.

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash used in operating activities	496,699	1,390,627
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends, interests and rents from investments	(50,225)	(62,735)
Proceeds from the sale of tangible fixed assets	-	415,000
Purchase of tangible fixed assets	(350,949)	(543,380)
Proceeds from sale of investments	612,401	341,245
Purchase of investments	(613,637)	(362,760)
NET CASH USED IN INVESTING ACTIVITIES	(402,410)	(212,630)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of borrowing	(131,319)	(127,544)
New finance leases	70,626	-
Repayments of finance leases	(76,299)	(50,490)
NET CASH USED IN FINANCING ACTIVITIES	(136,992)	(178,034)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	(42,703)	999,963
Cash and cash equivalents at the beginning of the year	2,878,414	1,878,451
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	2,835,711	2,878,414

The notes on pages 17 to 38 form part of these financial statements

**SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. GENERAL INFORMATION

The School is a company limited by guarantee. The members of the company are the Governors named on page 1. In the event of the School being wound up, the liability in respect of the guarantee is limited to £10 per member of the School. The registered office is: Oakridge Lane, Winscombe, Somerset, BS25 1PD.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

2.2 GOING CONCERN

The Governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the School to continue as a going concern. The Governors make this assessment in respect of a period of one year from the date of approval of the financial statements. After making appropriate enquiries, the Governors have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. The Governors have given careful consideration to both the short and long term cash flow forecasts, and are in the process of reviewing options for reducing costs over the next 5 years. The current levels of cash and unrestricted reserves, combined with an increase in demand for day pupil places and a robust Online Supported Learning programme, will allow the School to mitigate the risk from a reduction in overseas boarders as a result of the Covid-19 pandemic. For this reason the Governors continue to adopt the going concern basis in preparing the financial statements.

2.3 INCOME

All income is recognised once the School has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the School has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the School of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the School which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

2. ACCOUNTING POLICIES (continued)

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the School. Governance costs are those incurred in connection with administration of the School and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the School to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the School's objectives, as well as any associated support costs.

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the School; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 50 years straight line
Plant and machinery	- 10 - 20 years straight line
Fixtures and fittings	- 7 years straight line
Apparatus and equipment	- 4 years straight line
Computer equipment	- 4 years straight line

2.7 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities. All investment funds are managed by Smith and Williamson who manage the funds in line with the School's investment policy. Income from investments are used to support bursaries and scholarships.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

2. ACCOUNTING POLICIES (continued)

2.8 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 LIABILITIES

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.11 FINANCIAL INSTRUMENTS

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

2.12 FINANCE LEASES AND HIRE PURCHASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the School. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance 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.

2.13 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2. ACCOUNTING POLICIES (continued)

2.14 PENSIONS

The School contributes to a defined contribution scheme for a member of non-teaching staff. The annual contributions payable are charged to the Statement of Financial Activities as they become payable.

The School contributes to the defined benefit scheme for teaching staff, the Teachers' Pension Scheme ("TPS"). This is a defined benefit scheme and the assets are held separately from those of the School.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The School participates in The Pensions Trust's Growth Plan (the Plan). This is a multi-employer pension plan, which is funded and is not contracted out of the State's scheme. The Plan's assets are co-mingled for investment purposes, and benefits are paid out of the total assets. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS 102 represents interest cost and the actuarial remeasurement. Further details of the scheme are set out in note 25 and details of a contingent liability in respect of these contributions are set out in note 23.

2.15 FUND ACCOUNTING

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

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

Investment income, gains and losses are allocated to the appropriate fund.

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Pensions Trust defined benefit deficit repayments depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost for pensions includes the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability.

Critical areas of judgement:

The School obtains use of fixed assets as a lessee. The classification of such leases requires the School to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

4. DONATIONS AND LEGACIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	270,802	-	270,802	71,434
Total 2019	-	71,434	71,434	

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. FEE INCOME

The School's fee income comprises

	2020	2019
	£	£
Gross fee income	10,373,184	10,944,559
Bursaries, scholarships and allowances	(1,457,897)	(1,368,040)
Other fee related income	6,321	5,564
	8,921,608	9,582,083
Add back: Scholarships, Grants etc paid for by Restricted Funds	118,346	84,855
Total	9,039,954	9,666,938

6. TRADING ACTIVITIES

Income from fundraising events

	Unrestricted	Total	Total
	funds	funds	funds
	2020	2020	2019
	£	£	£
Merchandising and rental income	73,606	73,606	281,678
Income from Sports Centre, Arts Centre and Equestrian Centre	203,068	203,068	217,621
Other income	38,646	38,646	79,643
	315,320	315,320	578,942

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. INVESTMENT INCOME

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from investments	19,573	33,424	52,997	62,735
Total 2019	22,884	39,851	62,735	

8. OTHER INCOMING RESOURCES

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Other income	37,177	37,177	155,512
CJRS income	659,273	659,273	-
	696,450	696,450	155,512

Other income includes a settlement for 2 Chestnuts, Winscombe for £nil (2019: £103,690). The remaining balance is income from accomodation, extras and Easter reunion.

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. EXPENDITURE ON RAISING FUNDS

COSTS OF RAISING VOLUNTARY INCOME

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Costs of raising voluntary income	562,328	562,328	559,312

FUNDRAISING TRADING EXPENSES

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Fundraising finance costs	17,615	17,615	27,175

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Teaching costs	4,856,287	12,001	4,868,288	4,696,940
Domestic and welfare	1,405,222	-	1,405,222	1,632,069
Premises costs	240,203	735,176	975,379	1,161,037
Depreciation	648,439	-	648,439	639,465
Other costs	1,109,294	630,302	1,739,596	1,478,960
Pension cost	2,000	-	2,000	3,000
Grant making	-	-	-	17,937
	8,261,445	1,377,479	9,638,924	9,629,408
Total 2019	8,207,199	1,422,209	9,629,408	

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. AUDITORS' REMUNERATION

	2020 £	2019 £
Fees payable to the School's auditor for the audit of the School's annual accounts	10,500	10,210
Fees payable to the School's auditor in respect of: All non-audit services not included above	<u>18,832</u>	<u>15,897</u>

12. STAFF COSTS

	2020 £	2019 £
Wages and salaries	5,594,859	5,538,554
Social security costs	491,299	496,938
Contribution to defined contribution pension schemes	937,956	692,902
	<u>7,024,114</u>	<u>6,728,394</u>

The average number of persons employed by the School during the year was as follows:

	2020 No.	2019 No.
Teaching	104	101
Domestic and maintenance	67	70
Administration and support	78	79
	<u>249</u>	<u>250</u>

The average headcount expressed as full-time equivalents was:

	2020 No.	2019 No.
Teaching	84	80
Domestic and maintenance	47	51
Administration and support	23	21
	<u>154</u>	<u>152</u>

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

12. STAFF COSTS (CONTINUED)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020	2019
In the band £60,001 - £70,000	5	3
In the band £70,001 - £80,000	-	1
In the band £120,001 - £130,000	1	1
	<u>1</u>	<u>1</u>

The key management personnel of the School comprise the Governors (who do not receive remuneration) and the senior leadership team as listed within the Governors Report. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the School was £449,209 (2019: £436,201).

During the year, no Governors received any remuneration or other benefits (2019: £Nil).

During the year ended 31 August 2020, Governor expenses of £2,187 were incurred (2019: £3,485).

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

13. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Apparatus and equipment £	Computer equipment £	Total £
COST OR VALUATION						
At 1 September 2019	15,796,521	941,961	1,023,208	1,420,405	1,140,192	20,322,287
Additions	85,768	79,811	36,435	28,831	119,667	350,512
Disposals	-	(1,058)	(10,977)	(33,114)	(61,565)	(106,714)
At 31 August 2020	<u>15,882,289</u>	<u>1,020,714</u>	<u>1,048,666</u>	<u>1,416,122</u>	<u>1,198,294</u>	<u>20,566,085</u>
DEPRECIATION						
At 1 September 2019	4,038,116	701,999	859,028	1,294,555	814,577	7,708,275
Charge for the year	311,302	30,781	57,540	53,647	195,169	648,439
On disposals	-	(1,058)	(10,977)	(33,114)	(61,565)	(106,714)
At 31 August 2020	<u>4,349,418</u>	<u>731,722</u>	<u>905,591</u>	<u>1,315,088</u>	<u>948,181</u>	<u>8,250,000</u>
NET BOOK VALUE						
At 31 August 2020	<u>11,532,871</u>	<u>288,992</u>	<u>143,075</u>	<u>101,034</u>	<u>250,113</u>	<u>12,316,085</u>
At 31 August 2019	<u>11,758,405</u>	<u>239,962</u>	<u>164,180</u>	<u>125,850</u>	<u>325,615</u>	<u>12,614,012</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2020 £	2019 £
Finance lease assets	<u>71,329</u>	<u>54,359</u>

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £	Listed investments £	Other fixed asset investments £	Total £
COST OR VALUATION				
At 1 September 2019	101	1,544,796	8,025	1,552,922
Additions	-	613,637	-	613,637
Disposals	-	(612,401)	-	(612,401)
Revaluations	-	(90,080)	-	(90,080)
Amounts written off	-	-	13,617	13,617
AT 31 AUGUST 2020	101	1,455,952	21,642	1,477,695
NET BOOK VALUE				
AT 31 AUGUST 2020	101	1,455,952	21,642	1,477,695
<i>AT 31 AUGUST 2019</i>	<i>101</i>	<i>1,544,796</i>	<i>8,025</i>	<i>1,552,922</i>

PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the School:

Names	Holding
Sidcot Leisure Activities Limited	100%
Sidcot International Limited	100%

The financial results of the subsidiaries for the year were:

The School is the beneficial owner of 100 ordinary shares of £1 each being the whole of the issued share capital of Sidcot Leisure Activities Limited, a company registered in England. The company did not trade during the current or previous year. Sidcot International Limited was incorporated on 6 April 2017. The School is the 100% beneficiary and the company has not traded during the current or previous year.

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

INVESTMENTS AT MARKET VALUE COMPRISE:

	UK	Overseas	2019	2018
	£	£	£	£
Fixed interest, indexed linked and equities	1,058,462	397,490	1,455,952	1,505,874
Cash balances	21,642	-	21,642	-
Total market value	1,080,104	397,490	1,477,594	1,505,874

15. DEBTORS

	2020	2019
	£	£
DUE WITHIN ONE YEAR		
Fee debtors	15,826	42,905
Amounts owed by group undertakings	4,383	4,383
Other debtors	80,079	61,573
Prepayments and accrued income	270,178	261,782
	370,466	370,643

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loans	135,416	131,318
Fees received in advance	2,407,583	2,756,478
Trade creditors	374,516	303,916
Taxation and social security	127,000	128,748
Obligations under finance lease and hire purchase contracts	49,467	55,140
Other creditors	285,897	237,718
Accruals and deferred income	194,337	246,550
	<u>3,574,216</u>	<u>3,859,868</u>

Deferred income

	2020
	£
Deferred income at 1 September 2019	43,664
Resources deferred during the year	6,250
Amounts released from previous years	(43,664)
Deferred income at 31 August 2020	<u>6,250</u>

At the balance sheet date the School was holding funds received in advance for trips and activities booked for the Autumn term 2020.

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Bank loans	186,132	321,549
Deposits	649,927	695,321
	<u>836,059</u>	<u>1,016,870</u>

Included within the above are amounts falling due as follows:

	2020	2019
	£	£
Between one and two years		
Bank loans	135,416	131,338
Between two and five years		
Bank loans	186,132	321,528
Over five years		
Bank loans	-	-

The bank loan, secured against freehold property, is repayable over 9.75 years to December 2022 at a fixed rate of 3%.

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS					
General Funds - all funds	10,959,429	10,342,099	(10,185,443)	(28,081)	11,088,004
ENDOWMENT FUNDS					
Endowment Funds - all funds	373,504	-	-	-	373,504
RESTRICTED FUNDS					
William Norman bequest	417,815	13,739	(13,739)	(19,791)	398,024
Mary Blaschko grant	184,168	6,056	(6,056)	(8,724)	175,444
Named bursary and prize funds	257,616	8,471	(8,471)	(12,202)	245,414
McShane Legacy	156,850	5,158	(5,158)	(7,429)	149,421
Other restricted funds	4,871	-	-	-	4,871
	1,021,320	33,424	(33,424)	(48,146)	973,174
TOTAL OF FUNDS	12,354,253	10,375,523	(10,218,867)	(76,227)	12,434,682

The William Norman bequest was made for the purpose of funding a music bursary.

The Mary Blaschko grant was given to fund a sixth form bursary.

The named bursary and prize funds are for the purpose of funding bursaries and prizes.

The Bewley Foundation funds has now been spent on language facilities.

The donation from the Cadbury Trust in 2017 was used to hold a peace festival and for peace studies within the School.

The McShane Legacy was received for the music department.

Other restricted funds includes grants and donations received for specific purposes such as bursaries, school trips, arts centre, development fund, the purchase of Learning Pods and composting toilets. It includes £84,922 of restricted donations received, which were used for bursaries.

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
UNRESTRICTED FUNDS						
General Funds - all funds	10,828,156	10,424,276	(10,077,371)	(31,000)	368	11,144,429
Pension reserve	(219,000)	-	(3,000)	31,000	6,000	(185,000)
	<u>10,609,156</u>	<u>10,424,276</u>	<u>(10,080,371)</u>	<u>-</u>	<u>6,368</u>	<u>10,959,429</u>
ENDOWMENT FUNDS						
Endowment Funds - all funds	<u>373,504</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>373,504</u>
RESTRICTED FUNDS						
William Norman bequest	405,181	16,381	(16,381)	-	12,634	417,815
Mary Blaschko grant	178,599	7,221	(7,221)	-	5,569	184,168
Named bursary and prize funds	249,826	10,100	(10,100)	-	7,790	257,616
Bewley Foundation	9,355	-	(9,355)	-	-	-
Cadbury Trust	7,716	10,000	(17,716)	-	-	-
McShane Legacy	152,107	6,149	(6,149)	-	4,743	156,850
Other restricted funds	12,039	61,434	(68,602)	-	-	4,871
	<u>1,014,823</u>	<u>111,285</u>	<u>(135,524)</u>	<u>-</u>	<u>30,736</u>	<u>1,021,320</u>
TOTAL OF FUNDS	<u>11,997,483</u>	<u>10,535,561</u>	<u>(10,215,895)</u>	<u>-</u>	<u>37,104</u>	<u>12,354,253</u>

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Tangible fixed assets	11,942,581	-	373,504	12,316,085
Fixed asset investments	504,521	973,174	-	1,477,695
Current assets	3,206,177	-	-	3,206,177
Creditors due within one year	(3,574,216)	-	-	(3,574,216)
Creditors due in more than one year	(836,059)	-	-	(836,059)
Provisions for liabilities and charges	(155,000)	-	-	(155,000)
TOTAL	11,088,004	973,174	373,504	12,434,682

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
Tangible fixed assets	12,240,508	-	373,504	12,614,012
Fixed asset investments	535,939	1,016,983	-	1,552,922
Current assets	3,244,720	4,337	-	3,249,057
Creditors due within one year	(3,859,868)	-	-	(3,859,868)
Creditors due in more than one year	(1,016,870)	-	-	(1,016,870)
Provisions for liabilities and charges	(185,000)	-	-	(185,000)
TOTAL	10,959,429	1,021,320	373,504	12,354,253

**SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

20. CONTINGENT LIABILITIES

The School has a contingent liability which has not been provided for in these accounts in relation to the Pensions Trust Growth Plan described in note 24. This liability would crystallise only if the School withdrew from the Growth Plan or if the Plan was to be wound up with no participants.

The School continues to offer membership of the Plan to its employees and as at the balance sheet date there were 123 (2019: 123) active members of the Plan employed by the School. There is no current intention to leave the Plan and trigger the contingent liability.

The Pensions Trust has estimated that, if the School ceased to participate in the Plan as at 30 September 2020, the School would have to pay £521,964 (2019: £521,964) including Series 3 liabilities based on the financial position of the plan and the employers that, as at that date, were relevant employers.

21. CAPITAL COMMITMENTS

At 31 August 2020 the School had capital commitments as follows:

	2020 £	2019 £
Contracted for but not provided in these financial statements	-	80,000

22. PENSION COMMITMENTS

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £739,475 (2019: £504,937) and at the year-end £80,872 (2019: £62,280) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

22. PENSION COMMITMENTS (CONTINUED)

discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The Pensions Trust Growth Plan

The School participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m.

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £795m, liabilities of £926m, and a deficit of £132m.

To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025: £12,945,440 per annum (payable monthly and increasing by 3% each on 1 April).

From 1 April 2016 to 30 September 2028: £54,560 per annum (payable monthly and increasing by 3% each on 1 April).

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

22. PENSION COMMITMENTS (CONTINUED)

Unless a concession has been agreed with the Trustee the term to 30 September 2025 applies. The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the School has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed

PENSION COMMITMENTS (CONTINUED)

Present Values of Provision

Reconciliation of Opening and Closing Provisions

	2020	2019
	£	£
Provision at start of period	185,000	219,000
Unwinding of the discount factor (interest expense)	2,000	3,000
Deficit contribution paid	(33,000)	(31,000)
Remeasurements	1,000	(6,000)
Provision at end of the period	155,000	185,000

Income and Expenditure Impact

	2020	2019
	£	£
Interest expense	2,000	3,000
Remeasurements	1,000	(6,000)

Assumptions

	2020	2019	2018
	£	£	£
Rate of discount	0.55	0.97	1.68

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

23. OPERATING LEASE COMMITMENTS

At 31 August 2020 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	28,777	49,711
Later than 1 year and not later than 5 years	53,890	46,426
	<u>82,667</u>	<u>96,137</u>

24. FINANCE LEASE COMMITMENTS

Minimum lease payments under hire purchase agreement fall due as follows:

	2020 £	2019 £
Not later than 1 year	35,223	55,140
Later than 1 year and not later than 5 years	-	-
	<u>35,223</u>	<u>55,140</u>

25. RELATED PARTY TRANSACTIONS

A number of Governors have children who are pupils at the School; the appropriate level of fees is levied in respect of these pupils.

Governors' children are assessed for bursaries and scholarships on the same basis as all other pupils on an arms length basis. During the year, Governors received scholarships and discounts totalling £2,379 (2019: £Nil).

During the year Sidcot School purchased services from a company for which a Trustee is CEO totalling £4,500 and sold services totalling £4,372. No amounts were owing or owed to the company at the year end.