

Sherborne School (Trading) Limited

REPORT AND FINANCIAL STATEMENTS

for the year ended

30 June 2022

SATURDAY



ABUOSIYW

A04

07/01/2023

#194

COMPANIES HOUSE

Sherborne School (Trading) Limited

COMPANY INFORMATION, DIRECTORS AND ADVISERS
for the year ended 30 June 2022

DIRECTORS

G A Hudson (resigned 30 June 2022)

D A Lockett

Mrs A C Lane

D C Cole

COMPANY SECRETARY

D A Shaw

COMPANY NUMBER

2747901

REGISTERED OFFICE

The Bursary
Sherborne School
Abbey Road
Dorset
DT9 3LF

AUDITOR

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

BANKERS

Lloyds Bank plc
1st Floor Sedgemoor House
Deansgate Avenue
Taunton
Somerset
TA1 2UF

Sherborne School (Trading) Limited

CONTENTS

for the year ended 30 June 2022

	Page
Directors' Report	1
Independent Auditor's Report	2 - 4
Statement of Income and Retained Earnings	5
Statement of Financial Position	6
Notes to the Financial Statements	7 - 10

Sherborne School (Trading) Limited

DIRECTORS' REPORT

for the year ended 30 June 2022

The directors present their report and the financial statements for the year ended 30 June 2022.

PRINCIPAL ACTIVITIES

The principal activities continued to be the operation of Sherborne School's sport and uniform shop, The Hub cafe and the provision of letting and educational services.

DIRECTORS

The directors who served during the year and until the date of this report, unless otherwise stated, were:

G A Hudson (resigned 30 June 2022)

D A Luckett

Mrs A C Lane

D C Cole

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period in preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' report is approved had confirmed that so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware, and that each director has taken all steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

AUDITOR


Haysmacintyre LLP has indicated its willingness to continue in office and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board on 11 November 2022 and signed on its behalf by:

Mrs A C Lane

Director



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF SHERBORNE SCHOOL (TRADING)
LIMITED**
for the year ended 30 June 2022

Opinion

We have audited the financial statements of Sherborne School (Trading) Limited (the 'company') for the year ended 30 June 2022 which comprise the Statement of Income and Retained Earnings, Statement of Financial Position and notes to the financial statements, 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 company's affairs as at 30 June 2022 and of its loss 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF SHERBORNE SCHOOL (TRADING)
LIMITED
for the year ended 30 June 2022**

- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 1, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for employment law and health and safety regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and consider other factors such as corporation tax, payroll tax and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF SHERBORNE SCHOOL (TRADING)
LIMITED
for the year ended 30 June 2022

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing all journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

Use of our report

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



Lee Stokes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor
Date: 7 December 2022

10 Queen Street Place
London
EC4R 1AG

Sherborne School (Trading) Limited

STATEMENT OF INCOME AND RETAINED EARNINGS

for the year ended 30 June 2022

	Notes	2022 £	2021 £
TURNOVER	2	614,091	403,462
Cost of sales		(654,110)	(457,529)
GROSS PROFIT/(LOSS)		(40,019)	(54,067)
Administrative expenses		(35,756)	(24,062)
		(75,775)	(78,129)
Other operating income		-	38,918
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(75,775)	(39,211)
Tax on profit/(loss) on ordinary activities	4	-	5,520
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		(75,775)	(33,691)
RETAINED EARNINGS/(DEFICIT) AT 1 JULY 2021		(18,771)	14,920
Gift Aid donation payable for the year		-	-
RETAINED EARNINGS/(DEFICIT) AT 30 JUNE 2022		(94,546)	(18,771)

The results are derived from the company's continuing operations.

The notes on pages 7 to 10 form part of these financial statements.

Sherborne School (Trading) Limited

STATEMENT OF FINANCIAL POSITION


as at 30 June 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	5	1,868	3,002
CURRENT ASSETS			
Stocks		209,576	213,634
Debtors	6	6,411	5,567
Cash at bank and in hand		47,977	12,677
		263,964	231,878
CREDITORS			
Amounts falling due within one year	7	(360,376)	(253,649)
NET CURRENT ASSETS/(LIABILITIES)		(96,412)	(21,771)
TOTAL ASSETS/(LIABILITIES)		(94,544)	(18,769)
CAPITAL AND RESERVES			
Called up share capital	8	2	2
Profit and loss account		(94,546)	(18,771)
TOTAL EQUITY		(94,544)	(18,769)

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 7 to 10 form part of these financial statements.

The financial statements were approved and authorised for issue by the board on 11 November 2022 and were signed on its behalf by:


.....
Mrs A C Lane
Director

Sherborne School (Trading) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2022

1 GENERAL INFORMATION

Sherborne School (Trading) Limited ('the Company') is a limited company domiciled and incorporated in England and Wales (company number 2747901).

The address of the Company's registered office and principal place of business is Sherborne School, Abbey Road, Sherborne, Dorset, DT9 3LF.

The Company's principal activity continues to be that of the operation of the School's sports and uniform shop, Hub cafe and the provision of letting and educational services.

2 ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies' regime, and under the historical cost convention. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements have been prepared on a going concern basis. The directors have carried out detailed reviews and budgeting, have considered the current economic climate and the expected trading performance of the company, and consider the going concern basis of preparation to be appropriate. In addition, the company has the confirmed support of Sherborne School on an ongoing basis.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

2.2 Turnover

Turnover is measured at the fair value of the consideration received or receivable and comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

2.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Fixtures and fittings	-	10 – 25% straight line
-----------------------	---	------------------------

2.4 Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to sell and after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.5 Debtors

Debtors are measured at the transaction amount net of any trade discounts, less any impairment.

Sherborne School (Trading) Limited

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 30 June 2022

2 ACCOUNTING POLICIES *(continued)*

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, less any impairment.

2.7 Pensions

Employees of Sherborne School (Trading) Limited are jointly employed by Sherborne School and this company and accordingly may contribute to the Sherborne School Non-Teaching Staff Pension Scheme.

This scheme is a defined contribution scheme. Contributions payable are recognised as an expense as incurred.

2.7 Government grants

During the year to 30 June 2021 the company was in receipt of grant income under the Government's Coronavirus Job Retention Scheme (CJRS), which was recognised as income on a systematic basis over the period in which the company recognised the related salary costs the grant was intended to compensate. No further grant income was received during the year to 30 June 2022.

3 PROFIT/(LOSS) BEFORE TAX

Profit/(loss) before tax is stated after charging:

	2022	2021
	£	£
Depreciation of tangible fixed assets owned by the company	1,134	1,595
Auditor's remuneration - for audit of the financial statements	3,850	3,650
- taxation services	1,085	1,025
Pension costs	11,182	6,341

During the year, no director received any emoluments (2021: £nil). No directors accrued benefits under retirement benefit scheme in the year (2021 – No directors).

4 TAXATION

	2022	2021
	£	£
Corporation tax, based on profits/(losses) for the year	-	(5,520)
	-	(5,520)

No corporation tax was payable in the year to 30 June 2019, as all profits chargeable to corporation tax were paid under a deed of covenant to Sherborne School. A reduced level of deed of covenant was paid for the year to 30 June 2020, and a liability to corporation tax on the remaining profits arose as a result. The losses in the year to 30 June 2021 were carried back to offset the profits chargeable to corporation tax in the previous year, and a corporation tax refund arose as a result. There is no liability arising in respect of the year to 30 June 2022, due to the availability of further losses.

Sherborne School (Trading) Limited

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 30 June 2022

5 FIXED ASSETS

	Fixtures and fittings £
Cost	
At 1 July 2021	97,971
Additions	-
Disposals	-
At 30 June 2022	97,971
Depreciation	
At 1 July 2021	94,969
Charge for the year	1,134
Disposals	-
At 30 June 2022	96,103
Net book value	
At 30 June 2022	1,868
At 30 June 2021	3,002

6 DEBTORS

	2022 £	2021 £
Trade debtors	880	1
Corporation tax refundable	5,520	5,520
Other debtors	11	46
	6,411	5,567

7 CREDITORS: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	55,022	12,202
Amounts owed to group undertakings	260,959	210,443
Social security and other taxes	5,864	21,420
Other creditors	38,531	9,584
	360,376	253,649

The company's banking facilities are secured by a debenture over the book debts and a floating charge dated 12 June 1995 over all other present and future assets, in favour of Lloyds Bank plc.

Sherborne School (Trading) Limited

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 30 June 2022

8 SHARE CAPITAL

	2022	2021
	£	£
Allotted called up and fully paid:		
2 Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

9 AVERAGE NUMBER OF EMPLOYEES

During the year the average number of employees was 12 (2021 - 9).

10 RELATED PARTY TRANSACTIONS

Under the provisions within the FRS 102 s33.1A, related party transactions with wholly owned other group companies are exempt from disclosure.

11 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate and ultimate parent undertaking and controlling party is Sherborne School, a company registered in England and Wales. This School heads up the smallest and largest group preparing consolidated accounts and a copy of that company's group financial statements is available from the Registrar of Companies, Companies House, Cardiff, CF14 3UZ.