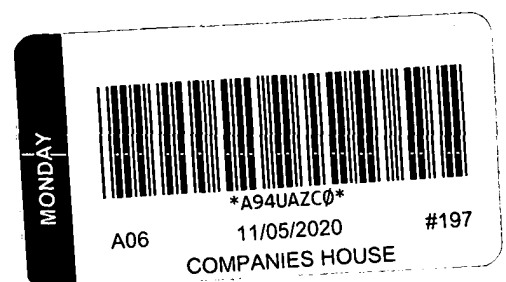


## YARM SCHOOL

### DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019



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## YARM SCHOOL

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## YARM SCHOOL

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS DIRECTORS AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2019

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**Company registered number**

04451356

**Charity registered number**

1093434

**Headmaster**

Mr D M Dunn, BA, PGCE (resigned 31 August 2019)  
Dr H Williams (from 1 September 2019)

**Company secretary**

Mrs K M Heward, BA ACMA

**Head of Preparatory School**

Mr W E C Sawyer, BA PGCE

**Independent auditors**

Waltons Clark Whitehill Limited  
Chartered Accountants and Statutory Auditors  
Maritime House  
Harbour Walk  
The Marina  
Hartlepool  
TS24 0UX

**Solicitors**

Endeavour Partnership  
Tobias House  
St Mark's Court  
Teesdale Business Park  
Teesside  
TS17 6QW

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## YARM SCHOOL

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS TRUSTEE AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2019

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#### Advisers (continued)

##### Bankers

National Westminster Bank  
106 Linthorpe Road  
Middlesbrough  
TS1 2JX

Santander  
2 Triton Square  
Regent's Place  
London  
NW1 3AN

Barclays Bank PLC  
1 Churchill Place  
London  
E14 5HP

Nationwide Building Society  
Nationwide House  
Pipers Way  
Swindon  
Wiltshire  
SN38 1NW

##### Insurance broker

SFS Group Ltd  
Dene House Farm  
Church Road  
Newdigate  
RH5 5DL

##### School website

[www.yarmschool.org](http://www.yarmschool.org)

Yarm School was founded in 1978. It is constituted as a company limited by guarantee registered in England, Company Number 4451356, and is registered with the Charity Commission under Charity Number 1093434.

The School operates two schools known as Yarm School (DfE number 808/6002) and Yarm Preparatory School (DfE number 808/6003).

There is one Governing Body for the two schools. Details of the members of the Governing Body are listed, together with the School's principal personnel and advisers on pages one and two.

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## YARM SCHOOL

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

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The Board of Directors present their annual report for the year ended 31 August 2019 under the Companies Act 2006 and the Charities Act 2011, together with audited Financial Statements of the group for the year and confirm that the latter comply with the requirements of the Companies Act 2006, the Company's Memorandum and Articles of Association and the requirements of the Charities SORP 2015.

#### GOVERNORS, DIRECTORS AND CHARITY TRUSTEES

The governors of Yarm School are the charity trustees under charity law and the directors of the charitable company. Those who served during the year are:

		(1)	(2)	(3)	(4)	(5)
Mrs O O Ajekigbe BSc, PGCE, Med, NPQH		*	*		*	*
Dr S Akowuah MB ChB, MRCP, DRCOG, DCH	[Appointed on 26/03/19]	*				*
Mrs S H Anderson FCA, BSc		*	*	*		
Mr P Barron MBA		*	*	*		
Dr P M Chapman MA PhD		*			*	*
Mr S R Davidson (Chairman) DL, BSc, PGCE	[Resigned from Board on 10/12/18]	*	*	*	*	*
Mr C de Jong MA, MBA		*	*			
Mr L D Gamble, MA, Vet MB, MRCVS		*	*		*	
Dr P S A Jones MA, PhD		*		*		*
Mrs R M Langford (Vice-Chair) BDS	[Interim Chair between 11/12/18 and 31/12/18]	*		*		*
Mrs L Longstaff Cert Ed, NPQH		*			*	
Mr I Lovat BSc, PGCE		*			*	*
Mr K Shotton BA(Hons), FCA		*	*	*		
Dr A J Slater MA, PGCE		*			*	
Mr M Thompson (Chairman), BA (Hons), ACMA, GCMA	[Appointed Chairman on 01/01/19]	*	*	*		
Mr A M Turner, BSc, MB, ChB, MRCS(Eng), MRCS(Ed), PhD		*				*

- (1) Main Board
- (2) Finance and General Purposes Committee
- (3) Salaries Committee
- (4) Education Committee
- (5) Compliance Committee

#### Structure, governance and management

##### Governing documents

The company is governed by its Memorandum and Articles of Association last amended on 28 June 2011.

##### Governing body

The Governing Body must number between 6 and 15, and all governors are required to be trustees of the charity and directors of the company. Directors are formally appointed at the Annual General Meeting (AGM) but may also be appointed by the Board at any time on a temporary basis until formal appointment at the next AGM. One third of directors retire at the AGM; they may be re-elected but may not normally serve beyond nine years.

Directors are appointed to ensure a wide range of skills and experience are brought to the Governing Body. Directors are sought from the business, accounting, legal, medical and education sectors and some may be parents of current or former pupils.

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## **YARM SCHOOL**

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### **DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **Training**

New directors are introduced to the operation of the School by the Headmaster and Senior Managers, and through an induction programme provided by the School Manager which covers their tripartite responsibilities as directors, trustees and governors. There is also a range of training opportunities available through courses provided by the Association of Governing Bodies of Independent Schools (AGBIS). All governors are encouraged to attend specialist courses on the role and responsibilities of charitable trustees in addition to attending regularly any other relevant courses by AGBIS and other providers. Governors are provided with training and knowledge which supports them to fulfil their statutory duties regarding school life, such as safeguarding training and health and safety policy.

Governors also report on an annual basis any training undertaken in their professional lives which may also be relevant to School.

#### **Organisational structure and decision making**

##### **Organisational management**

The Governing Body determines the general policy and strategic direction of the School. The Governing Body, as the charity trustees, is legally responsible for the overall management of the school. The Main Board meets four times a year, twice in the autumn term and once each in the spring and summer terms.

The Main Board is also supported by sub-committees whose membership is drawn from the Board of Directors:

- **Finance & General Purposes Committee.** This committee meets in advance of Main Board meetings to review financial performance and development strategies for the future of the School. It scrutinises revenue budgets and capital expenditure, and oversees the production of the School's annual audited financial statements and annual report, for approval by the Governing Body;
- **Salaries Committee.** This committee considers proposals for annual salary reviews of all employees of the School, including teaching and non-teaching staff. Teachers' remuneration policy is guided by the annual decisions by the School Teachers' Review Body and the wider independent sector as a whole, with a view to ensuring that teachers' career aspirations are not unduly fettered by barriers to free movement across the profession. The remuneration of senior managers is considered by a smaller sub-committee, the Senior Salaries Committee, with the intention of acknowledging their contribution to the School's success and incentivising them to improve their performance even further, rewarding key personnel fairly and responsibly for their individual contributions to the School's success. The remuneration policy is reviewed annually and considers pay and conditions in similar organisations and industry wide to ensure the School remains sensitive of broader employment conditions elsewhere. Delivery of our educational purpose is dependent to an extent on key management positions, and staff costs are the largest single element of our charitable expenditure.
- **Education Committee.** This committee considers academic, pastoral and extra-curricular policy, together with leading a rolling programme of self-review for subject departments across all phases of the School.
- **Compliance Committee.** This committee monitors and reviews all aspects of legislative compliance, paying particular regard to inspection requirements and any wider legislative changes which could affect the School.

All committees report to the Main Board, where their business is reviewed and approved.

The day-to-day management of the School is delegated to the Headmaster and the Senior Management Team (SMT), which includes the Head of the Prep School. Members of the SMT attend all meetings of the Governing Body's committees where relevant, except on rare occasions when governors request otherwise. However, SMT members do not have voting rights at those meetings.

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## **YARM SCHOOL**

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### **DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **Group structure and relationships**

Yarm School has one wholly owned subsidiary, Yarm School Trading Limited, whose activities are to provide school uniform for pupils, bar sales and the hire of the auditorium.

The School seeks to achieve high academic standards and has active membership of a number of bodies who also seek to promote this aim, including the Independent Association of Preparatory Schools, the Headmasters' and Headmistresses' Conference, and the Association of Governing Bodies of Independent Schools.

#### **Employment policy**

Yarm School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their employment and training needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the view of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial performance of the School, together with its plans for future development, on an annual basis.

#### **OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

##### **Charitable objects**

The School's charitable objects are set out in the Memorandum and Articles of Association as *'the independent education of children in the counties of Durham and North Yorkshire and the former county of Cleveland'*.

In carrying out the Objects, the Directors are conscious of the long-standing requirement on charities to demonstrate public benefit. Through the operation of the Compliance Committee, they continue to give careful consideration to guidance published by the Charity Commission on the operation of public benefit and the wider requirements of the Charities Act 2011. During the year the school has continued to provide bursaries and scholarships, as well as further developing links with and opportunities for the local community.

##### **Mission statement**

Yarm School's mission is 'educating for life': the School's purpose is to provide excellent education to enable pupils to fulfil their potential as individuals and develop skills to become adults who will contribute positively to society. The School's educational purpose is about more than mere academic attainment.

##### **Intended impact**

Within its charitable objects, the School strives to provide a first-class educational experience, through its strong academic tuition and by developing broader life skills that enable every pupil to realise his or her potential. School life, whether through the curriculum or the wider programme of activities, nurtures skills in pupils which encourage individual learning, sporting, musical and theatrical achievement, team-building and social skills. This policy aims to foster life skills in pupils and a willingness and interest in contributing to the wider community whilst at School.

**DIRECTORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**Aims**

The School's aims for the public benefit are:

- to provide an education of a high academic standard on a co-educational basis for pupils aged 3 to 18 and to encourage the personal development of each pupil through a broad range of extra-curricular activities, ensuring that, in the most deserving cases, financial support is made available to Senior School pupils whose families are on low incomes;
- to develop a strong and active relationship between the Senior School and the Prep School, and to maintain collaborative partnerships with local schools and the wider local community, encouraging two-way fertilisation of ideas and innovative approaches to school-based activities and learning;
- to nurture and encourage pupils to become responsible, caring individual members of society who understand the value of charitable activity in the community, thus preparing them for life beyond school;
- to provide a vibrant cultural hub for performances, visiting speakers and events for the wider community.

**Principal objectives**

The principal objectives of the School to fulfil these aims are:

- to provide a stimulating and challenging learning environment, with excellent facilities, in which each pupil is encouraged to fulfil his or her potential, both in the classroom and during outdoor education and extra-curricular activities;
- to provide a comprehensive pastoral environment, in which pupils feel secure and happy, and learn to work together, fostering a strong sense of community in which tolerance and respect for diversity is emphasised, with a view to developing responsible British citizens;
- to provide a broad range of learning opportunities across all areas of School life to encourage pupils to develop their decision-making and communication skills, both individually and within a team;
- to maintain scholarships and bursaries, to assist children whose parents are unable to afford the school fees to benefit from a Yarm Senior School education;
- to maintain an effective management structure, capable of making decisions in a timely manner, and allocating resources appropriately;
- to provide the necessary administrative framework to facilitate achievement of the School's objectives.

**Strategies to achieve the principal objectives**

In recent years, the Governing Body has continued an extensive programme of capital development across the Senior School, which has previously included the construction of an award-winning 750-seat auditorium and peripheral performance spaces, new riverside classrooms and a dance suite, a new boathouse, all-weather pitches and a Music School with 140 seat lecture theatre, two classrooms, a recording studio, ensemble room and numerous practice rooms. This facility continues to enhance further the School's strong reputation for the performing arts.

The Pre-Prep School has also been substantially developed, with purpose-built accommodation and landscaped play areas. Following the acquisition of a substantial piece of land adjacent to the existing Prep School site, a planning application has recently been submitted to modernise and improve facilities at the Prep School to ensure that it remains an attractive local option for parents, and an effective feeder school for the Senior School



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## YARM SCHOOL

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### DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

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whilst also contributing to a solution for local traffic management on the public roads adjacent to the school. The School is committed to ensuring that its plans to enhance all facilities are carefully and sensitively developed, bearing in mind its geographical position in the town and other local factors.

The Governing Body endorses the Executive's approach to recruit and develop excellent teachers, identifying and nurturing teaching talent through a process of regular appraisal and continual professional development, in addition to considering employee remuneration and capacity to deliver objectives on an annual basis. There is a strong emphasis on the provision of pastoral support for pupils, which was highlighted during the last ISI inspection. The care and welfare of the pupils has been improved by the recent extension of the school nurse's responsibilities and the appointment of a school counsellor. Governors also consider the School's responsibilities towards public benefit and, through the Compliance committee, regularly review activities being undertaken within School in partnership with the community, and other charitable activities.

#### **Principal activity**

Yarm School's principal activity, as set out in the Memorandum and Articles of Association, and in conjunction with its charitable duties, is 'the advancement of education'. In this regard, the School has had another very successful year. Pupil numbers on roll have increased steadily over the past few years and are currently in excess of 1,100. The School attracts regular enquiries from prospective parents, from the Open Mornings and Prep School Open Week, other advertising and by word-of-mouth. This success is the result of Governing Body resolve to maintain the high academic standards for which the School is highly regarded in the north-east region.

#### **Public benefit**

Yarm School remains committed to its founding principles of providing public benefit according to its duty in charitable law. Consistent with the principles set out in 'Hallmarks of an Effective Charity', the School takes seriously its role within the local and national community, seeking to promote the highest possible all-round education for its own pupils, promote these academic ambitions more widely and integrate closely with the community in support of activities and events, which are to mutual enjoyment and benefit.

During the year we continued to host a number of careers events in the Princess Alexandra Auditorium which were open to local schools and highlighted particular professions: for example Finance/Accountancy/Management, Creative Arts and Industries and Language Careers. These involved volunteer adults giving talks and advice to hundreds of students and their parents from this and other local schools. We believe this has resulted, at least for our own pupils whose futures we monitor, in a wide range of career choices in the public, private and voluntary sectors. We hold a biennial Career Convention with over 100 professions, 250 delegates, and 2000 guests. This event is open to all visitors and our 2018 convention received guests from at least six neighbouring schools.

During December 2018 we funded and hosted a poetry reading event by Simon Armitage, the national Poet Laureate. Nine local schools attended the event with over 550 of their Year 11 pupils benefiting from the workshop. The Heads of History and Politics Departments continue to develop a very popular series of evening 'open lectures' by notable professional and academic leaders in their respective fields, which are open to the public in addition to pupils from local schools and are always very well-attended. This year, these have included topics such as Professor Matt Rutter talking about "Life as a Gastroenterologist - a Career in Medicine", Giles Ward speaking about becoming a lawyer and Professor Cath Noakes discussing how buildings affect your health. Prof. Georgios Antonopoulos, Centre for Crime, Harm Prevention and Security, University of Teesside, regarding 'The nature of organised crime and illegal markets' and Dr Jo Metcalf, Senior Lecturer in American Studies, University of Hull, on 'Guantanamo Diaries and the War on Terror'.

Drama plays an important role in the life of the school. All performances are open to the public and last year included Shakespeare's "A Midsummer Night's Dream", as well as Intermediate and Senior Duologue Competitions and Year Group and A level Theatre Studies productions. The annual House Drama competition

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## YARM SCHOOL

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### **DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019**

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involved over 200 pupils on stage and was supported by an audience of 600. A new performing arts engagement programme for the First Year pupils took place culminating in two performances of Lion King, Junior, with many members of the local community attending the show.

The Music Department continues to develop its purposeful and effective outreach work and performed at a number of local events. This year saw the first Yarm Musical Christmas Tree. The creation of a 120 strong community choir (age 5-95) for Yarm's Christmas celebration that formed the human Christmas Tree for the event. The Music Department organised a Primary Schools singing workshop, this involved 140 children from local state primary schools. The Tess Valley Music Service Instrumental Showcase was held at Yarm School with over 600 children from local primary schools coming together to demonstrate what they have learnt and make music together. The popular series of "Concert and Cake" performances continue to be held regularly, which are well attended by members of the public. Piano masterclasses for talented pianists in the Teesside area with Olga Zado and Janusz Piotrowicz were also held in School.

The Director of Music runs a weekly community choir for adults, Yarm School Choral Society. This choral society joined forces with the Music Department to stage several joint concerts this year, which was warmly welcomed by the community. There are currently approximately 60 members of the local community in the choir and recent highlights have included performing with the world-renowned Black Dyke Brass Band, the Community Carol Concert, Haydn Nelson Mass with a community orchestra and massed performance of Verdi Requiem in Darlington. Yarm Choral Society also took part in an international choir and orchestra to mark the centenary of the end of the 1st World War.

The Music Department continue to provide musicians for charity and local events e.g. International Women's Day charity event at Crathorne Hall, and a bugler for Yarm's Act of Remembrance. We continue to participate in community events such as the North East Festival of Youth Choirs with a concert in Durham Cathedral and Sunderland Big Band Festival. There are also joint rehearsals, working together with local youth choirs to prepare for the world premiere of a youth choir commission by composer Richard Burton in Durham Cathedral.

In school a number of charity concerts have been organised by 6th form students (in aid of Cruse Bereavement and the Halo Project) raising significant funds for the designated charities and attracting large audiences from the local community.

The Director of Music continues discussions with National Youth Choir of GB considering a 3 year project to promote children's singing in the Teesside area. Significant numbers of Yarm pupils participate in Tees Valley Youth choral and orchestral ensembles including the Youth Choir and the Youth Orchestra.

Yarm School is also the designated exam centre for ABRSM and LCM in the Teesside region and provides a venue for termly music exams for children from throughout the area. Tees Valley Music Service and the affiliated Youth Choir also practise and perform regularly at Yarm School, often in conjunction with our own music groups.

The Sports Department has hosted a number of local, regional and national tournaments for local schools, including Rugby 7's Durham County Tournaments (U13 and U12), Durham County tournaments, Hockey County and North East Regional Finals, District Netball, National County Rounders and Tennis Tournaments, athletic meets and rowing events. We hosted a coach development day for local rugby coaches and support local community sports groups by allowing free use of our facilities for their training and matches in a number of sports such as rowing, hockey, netball and rugby (including Stockton Hockey Club, Stokesley Ladies Hockey Club). We have also hosted county trials for rugby.

Yarm School supports in excess of 240 jobs, which generates more than £2m of tax and saves the economy more than £6.5m annually through educating pupils privately. Reduced fees can be made available to support those who could not otherwise afford to attend School. 5% of the annual turnover is committed to fee support. While the provision of bursaries is a measurable means of providing public benefit, the Governing Body takes the view that bursaries must not exist to the exclusion of a much wider benefit that the School provides through its partnership activity and community engagement. As a relatively young school, Yarm School does not have

**DIRECTORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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any endowments or foundations which exist specifically to support the education of pupils from low income families. Pupils who receive bursaries contribute to school life in a variety of ways and so the benefit from their attendance is not only felt by them, but by the whole School. This year the School awarded a substantial number of scholarships and bursaries. There is also a separate range of scholarships, some of which are means-tested, available to 6th form pupils, for Music, Humanities, DT (Arkwright) and Maths/Science. The School's policy is to award scholarships on the basis of academic or musical merit and bursaries on the grounds of financial hardship. The criteria for support are under continual review in order to ensure that these funds are applied to support the education of the recipients in the most effective way possible.

The School works in close collaboration with other educational institutions, accommodating student teachers for work experience, observation and on teaching placements. At its own cost, it also trains teachers who will be free to move to other schools in their future careers. Many of its teachers work as examiners, including some with senior roles at national level supporting and advising the work of exam boards. This comes at a cost to the School but has a much broader benefit.

In the Prep School, eleven separate and sustained partnership activities take place annually. All except two activities involved between 100 and 700 pupils at a time, and between two and ten local primary schools. These included visits to School by children's authors, chess competitions, science demonstrations and entertainment shows, an annual schools quiz, music days and concerts. The chess competition involves the Prep School holding 4 regional chess tournaments that attract over 100 children each time from schools all over the Teesside area. In total, we had 1800 children from 18 different local state schools and nurseries taking part in our Prep School Outreach Programme.

Our annual Year 4 Primary School Sports Afternoon was attended by over 250 children from eight local schools, who were able to participate in activities such as rugby, hockey and rounders. Our Heads of PE and Games also ran PE sessions at two local primary schools, each consisting of six, hour-long sessions. One school used this as an opportunity to develop a fitness and wellbeing programme for a group of children with SEND, commenting that, "The care and support of your teachers, as well as the clear instructions given, has empowered both the children and our staff to deliver these sessions in the future."

We held our Inaugural Internet Safety Workshop to coincide with Safer Internet Day in February 2019, welcoming Digital Leaders from eight local primary schools. The workshop saw a range of projects undertaken, with support from Google, BenQ and other businesses. It also saw the publication of a report on digital trends amongst primary-aged children in the Teesside region, which was shared between all of the schools and used to inform and educate parents and staff. Feedback from staff highlighted that the event was "eye-opening - and not just for the children," while "it is great that our Digital Leaders have been empowered and can share so much with the rest of our school now." The programme for 2020 is set to be bigger, with more schools and children involved. A computing teacher and CEOP Ambassador will also be giving internet safety talks in two local primary schools to coincide with Safer Internet Day.

We continued our Digital Leaders initiative, working collaboratively hosting both Hartburn Primary School and The Links Primary School for the entire year. The three schools worked together on a number of internet safety projects, as well as gaining experience from using a wide range of technology, including VR and AR, 3D printing and building computers. We also established links with Accenture, who ran two sessions for the children on coding at their Newcastle headquarters. For 2019-20 the scheme continues, with Hartburn Primary, Kirklevington Primary and Bader Primary all joining forces with us to work on a range of projects including using VR cameras to record local landmarks and developments, and establishing and setting up some 'Silver Surfers' centres to help elderly people living locally get the most out of modern technology.

Our Primary Schools Music Day, run by the Prep Head of Music, was a highlight of the year. Children from eight local schools got together to sing a range of songs, putting on a concert at the end of the day for parents. The music was then used by the visiting teachers back at their schools to teach their schools when celebrating St Patrick's Day.

Another new initiative has been woodland sessions in the Senior School woods, run by two Pre-Prep teachers.

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## YARM SCHOOL

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### **DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019**

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36 children from two different nurseries have come along to these sessions, with transport, food and ideas for staff to take away to their nurseries all part of the programme.

One of our Languages teachers is on loan to a local primary school, where she spends half a day a week teaching French. The Headteacher wrote to us to explain what a difference it had made to her pupils' enthusiasm for, and interest in, the subject at a young age. Languages also being in decline nationally, we are pleased to be able to play a role in bolstering support for language acquisition. A physics teacher from the Senior School, has undertaken a series of highly acclaimed and popular interactive physics road-shows in approximately 20 local primary schools during the year; feedback has indicated that his infectious enthusiasm for the subject has inspired significant numbers of primary school children to tackle science with renewed vigour, in a subject experiencing a national shortage of specialist teachers. This initiative is being repeated due to popular demand.

For the past five years, the librarians and teachers have held an annual 'Carnegie Literary Tea' to promote literary appreciation and discussion which has involved pupils from surrounding schools. The School CCF contingent and musicians support the town's annual Remembrance Day memorial service, and the Christmas tree lighting.

Pupils in all sections of the school have continued to be actively engaged in a wide range of charitable endeavours again this year, giving their time and energy freely to support many good causes and to help raise funds for a number of organisations locally, nationally and internationally.

The Preparatory School raised a significant amount of money for a number of charities, as well as wider appeals for shoes and items for our Harvest Collection. £1021 was raised for Comic Relief by wearing silly socks across the whole school.

Our Harvest Collection in October supported the Stockton Foodbank through the donation of non-perishable food items, toiletries and baby products. Overall the children brought in 416kg of goods, described by a collection representative from the Foodbank as "incredible". We also supported Mission Christmas across the school, with children and families donating Christmas presents to families across the Teesside region. TFM, the local organisers, were amazed and delighted that it took two full vans to take all of the presents from the site.

Each house in the Preparatory School ran their own charity event throughout the year, with four local charities being the focus of these. A total of £1500 was raised by the four houses, supporting Save the Children, Greenpeace, Age UK and Zoe's Place. All of the planning, organising and correspondence for these four charity events was undertaken by the Year 6 children, as part of their houses.

In the summer term we supported two overseas school projects. A non-uniform day raised £330 for the Colourful Dreams School in Malawi, which was used for sports equipment and other rebuilding projects. These were supported by one of the Prep School teachers, who spent part of the summer working at the school. An end of year Colour Run organised £4274 for The Mustard Seed Project, a charity we support in Kenya that helps with the building and running of a local school.

In the Senior School, pupils and staff in our four School Houses have organised a wide range of charitable activities and events, raising over £4,500 between them to support Breast Cancer UK, Challaner House, Young Minds UK, Dementia UK, Cruse, Halo Project, Neurblastoma Society, Mesarani Project and the COPE Charity in Laos, to record just a few. Many other individual or group charitable activities are also recorded through the weekly school newsletter or in the school magazine.

Building on the superb example set in previous years by senior students, two separate initiatives that were completely student led provided two amazing evenings of entertainment, music and contemporary dance that included performances from members of the local community as well as from the school for audiences of over 500 people. The first, the "Best of Broadway" concert raised £4,050 for Cruse Bereavement Care and the second, the "Influential Women" concert raised £3,250 to support the Halo Project Women's refuge in Stockton, together with a further £600 worth of goods for the refuge to distribute to victims of forced marriage and honour

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## YARM SCHOOL

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### DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

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based violence.

The CCF Contingent has forged a strong relationship this year with Phoenix House - the Help for Heroes Centre in Catterick. Cadets completed a sponsored 24-mile walk (in under seven hours), raising through this and other activities, a total of £3,000 to support the work of the centre. The Yarm Apprentice activity raised £2,450 through their various challenges, donating the funds raised to the Make a wish Foundation, Breast Cancer Care, Macmillan Cancer Support, The Dogs Trust and Alzheimer's Research.

In addition, other whole school charity activities have raised a further £4,700 which has been used to provide continued support for a variety of national and international cause. Including, for example, the education of orphans in our link school in Botswana and the Azantie Tanzania Schools project. Our Eco-School's group has also raised funds to support the installation of toilets in Tanzania as part of the toilet twinning scheme to provide clean water and facilities for hygiene education. This money has also been used in the further support of some of the charities already listed above and donations have also been made to Yarm Parish Church and Yarm Methodist Church from proceeds taken from a Community Carol Concert to be used in support of their nominated charities.

Pupils continue to donate sports clothing to contribute to the Kit for Sport programme that helps to encourage and support participation with donations to over 50 countries around the world. Over 800kg in donations collected from school families went to the Stockton Food Bank and Christmas hampers were distributed to residents in local care homes who were unable to attend the annual pensioners' party hosted by pupils. 106 Christmas shoeboxes have also been sent to Romania. Yarm pupils continue to be engaged in voluntary work with a variety of projects within the community. Total charitable fund raising and donations this year were in excess of £25,000.

The Princess Alexandra Auditorium and Friarage Theatre are the school's stunning venues for performing arts events which are open to the wider community. Yarm School seeks to host a diverse programme of performing arts and cultural events, some exclusively for children and/or families, others for adults, which would otherwise not be available to people in the region. Many of these events, such as authors' visits, school-based concerts and some collaborative partnership activities with local schools, are provided free of charge. As in previous years, other larger scale school-based events are subsidised by Yarm School in order to attract a substantial audience by offering tickets at much less than the commercial rate.

This year we have attracted annual audience figures and visitors in excess of 38,000 to the Princess Alexandra Auditorium and Friarage Theatre events, which represents a significant increase over the previous year. We continue to develop our relationship with professional agents, attracting nationally renowned live entertainers to Yarm School, in addition to opening our own events up to members of the public. For example during 2018/19 school year, pupils performed in numerous concerts in the various orchestras, ensembles, the concert band, wind band, and a variety of different choirs. Other hugely popular events included a Community Christmas Concert, the annual School Dovecot Festival and the Ocean and Banff Film Festivals, each of which drew in near sell-out audiences from the local community and cement our reputation locally as a provider of first-rate community entertainment.

The Friarage Theatre, part of the Music School, provides a more intimate space with 140 seats. The HD projector and surround sound system mean it is the perfect venue for live screenings from prestigious theatre companies such as the National Theatre, Royal Shakespeare Company, the Royal Opera House and Art Exhibition on Screen. These screenings attract a good audience from those who live in the local community.

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## YARM SCHOOL

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### DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

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#### STRATEGIC REPORT

##### Achievements and performance

##### Review of achievements and performance for the year

##### Academic attainment

Yarm School prides itself on preparing every pupil for the needs and challenges of their future lives. With small class sizes, outstanding teaching and healthy ambition, pupils of all abilities fulfil their true academic potential inside the classroom. At the same time, our strong commitment to educating the whole person gives them exciting experiences outside the classroom through our rich extra-curricular programme.

Towards the end of the summer holidays we once again received some outstanding GCSE and A level results:

At GCSE level we celebrated an impressive 23% of grades awarded were at the highest possible grade 9 with 44% of our grades at 9 or 8 Yarm School performed strongly in comparison to both regional and national benchmarks. 17 pupils achieved a most impressive 10 or more grades at 9/8, twelve of whom secured eight or more results at grade 9.

Results were strong in subjects across the board with 47% of pupils securing a grade 9/8 in Mathematics and one quarter of the year group sitting the demanding Further Mathematics qualification. A startling 76% of these achieved either an A\* or the outstanding A\* distinction. In German, 58% of pupils achieved grades 9/8, demonstrating Yarm School's continued success in languages. Results in creative subjects continued the trend; 57 pupils took one of our Design Technology courses with a remarkable 58% awarded grades 9/8.

##### GCSE RESULTS 2019

	Yarm School	National Average
Grade 9s (%)	23	4.5
Grades 9-8 (%)	44	11
Grades 9-7 (%)	65	21
Grades 9-5 (%)	90	61
Grades 9-4 (%)	96	67

At A-level, a tremendous 57% of all grades were awarded at A\*/A, surpassing our 5-year average and more than doubling the national average of 25.5%. Our A\* rate (23%) was more than three times higher than that of in the North East as a whole (6.7%). 56 pupils completed the Extended Project Qualification in addition to their A Level courses with a remarkable 82% of these being awarded A\*/A grades.

Our students gained places at a wide range of prestigious university destinations including six who gained places at Oxford or Cambridge, with courses ranging from Chemistry to Architecture, and seventeen students who go on to study Medicine, Dentistry or Veterinary Medicine. Our students will be studying a remarkable breadth of subjects including Engineering, Performing Arts, Classics, Agriculture, Computer Science and Management, many at Russell Group universities.

##### A-LEVEL RESULTS 2019

	Yarm School	North East	National Average
Percentage of A* grades	23%	7%	8%
Percentage of A* - A grades	57%	23%	26%
Percentage of A* - B grades	77%	50%	52%

##### Leavers' destinations

The majority of students in the Upper Sixth make university applications and are successful in gaining places at their first choice of university. The more selective universities are particularly popular with the majority moving

**DIRECTORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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on to Russell Group institutions all over the country. Destination courses vary widely with traditional academic subjects very popular, particularly biological science, psychology, modern languages and a range of humanities courses. Engineering is a popular route with a number of students entering courses in this area in 2019. Courses relating to business and finance continue to be popular with eight students moving in to this area and a further seven taking economics or related subjects. We also have students embarking on performance courses in acting and music and three students studying architecture.

Medical/veterinary/dental (MVD) courses remain the modal choice and our students have excellent success in gaining places: 17 in 2019, 12 in 2018, 16 in 2017, a record 21 in 2016, 10 in 2015, 12 in 2014. There are healthy numbers of applications to Oxford and Cambridge (typically 20% of the cohort) and a good number of these are successful in gaining places (6 in 2019, 5 in 2018, 10 in 2017, a school record 12 places in 2016, 9 in 2015 and 9 in 2014).

The Upper Sixth (Year 13) in 2019 were typically ambitious in their aspirations with the majority applying for courses demanding very high A level grades. They were very successful in moving on to their chosen destinations. Of the cohort of 106 students, 95 secured places on university degree courses in the UK, one has taken up a place in Bulgaria, one student has secured an apprenticeship with Nissan UK, one has joined the Royal Navy, one has entered employment and seven students have elected to take a gap year before applying to university. The school will support them in making these applications in due course.

Other academic achievements

**Arkwright Scholarships**

Worth £1000, Arkwright Scholarships are awarded nationally for excellence in Design and Technology to candidates looking to Engineering as a future career. The examination and interview selection process takes place while pupils are in the Fifth Year and awards are presented to incoming members of the Lower Sixth. We were delighted that 2 scholars were –selected from Year 11 for 2019 – 2021 (approximately 1,500 applicants sat the Aptitude Examination paper). Yarm School is proud of the fact that it has had more Arkwright Scholarships awarded than any other school in the country.

**Mathematics**

**2019 Senior Mathematics Challenge Sixth Form**

Gold	Silver	Bronze
8	13	17

Additionally, we had 8 Kangaroo qualifiers.

**Senior International Olympiad**

1 qualified.

**2019 Intermediate Mathematics Challenge for year 9-11 (Third, Fourth and Fifth Years)**

Gold	Silver	Bronze
23	40	12

Additionally, we had 25 Kangaroo qualifiers and 5 qualified for the Olympiad.

**2019 Junior Mathematics Challenge for year 7-8 (First and Second Years)**

Gold	Silver	Bronze
14	18	18

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## YARM SCHOOL

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### DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

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Additionally, we had 12 Kangaroo qualifiers, one of whom was an Olympian qualifier.

Our Junior Maths team finished 2nd out of 14 regional schools.

#### **Extra-curricular activities**

Our aim is to provide pupils with the skills they need to develop into adults who will contribute positively to society. To this end it is important to us that all kinds of skills and abilities are honed within each individual - a Yarm School education is about far more than just academic achievement.

All pupils are strongly encouraged to take part in extra-curricular activities and as ever, we are always immensely proud of their wide ranging and significant achievements and successes.

In celebrating the School's 40th Anniversary, 2018-2019 has been no exception and our newsletters, school magazines, website galleries, twitter and Facebook posts have recorded many amazing things. It is not possible to showcase all of the events that have taken place this year or to report on all of the cultural achievements, sporting successes or representative honours gained by members of the community but the following summary provides an example of the range of things that reflect the spirit and ethos of our school.

In both the Prep and Senior Schools, there are a huge range of extracurricular clubs and societies which meet on a regular basis, either during the timetabled activity lessons, at lunch-time, after school or over the weekends. Across the schools, over 100 different activities take place each week, offering a diverse and exciting range of possibilities for involvement and enrichment. We believe strongly that every pupil should develop hobbies and interests; not only are they a source of much happiness at School, but they also develop skills and interests which will stay with the pupil for many years. In addition we run an extensive programme of cultural, artistic, academic, adventurous and sporting excursions, trips and visits both within the UK and overseas.

Cultural societies, lecture programmes and opportunities to be involved in the performing arts including drama, dance and music abound. Each term, a number of major events have taken place, such as the Careers Cluster Event, organised and hosted by the school. This offered pupils and students from schools across the region opportunities to speak with representatives from Universities and professions about a variety of career options. Other extracurricular activities have ranged from the House Drama competition to Community Concerts, from the junior musical of the Lion King and the Year 6 production of "Pantastic" to the Dance Showcase. Plays have included Adromache, The Wasps and The Curious Incident of the Dog in the Night-time and musical events from the Spring Concert to the Dovecote Music Festival. The highlights of the year have certainly been the 40th Anniversary events, including the community Christmas Indoor Market and the Summer Fair - both organised by the Parents Associations, the Community Carols event and the superb 40th Anniversary Concert and Summer Anniversary Party, all of which involved current and former members of the school and local community.

The school continues to be committed to an extensive outdoor education programme for all ages. These extremely popular outdoor education trips and activities provide pupils with a variety of different skills and developmental experiences, building confidence and resilience. This year opportunities have ranged from our Forest School in Pre-Prep, residential activities trips to Robinwood and the Year 6 Cumbrian Adventure Week in the Prep School. In the Senior School it has also been another actioned packed year. In addition to the three major year group activity expeditions for the pupils in the First to Third Year, the Outdoor Education Department has offered a myriad of day or weekend trips throughout the year to pupils, from mountain biking to winter skills training in Scotland or rock climbing and ghyll scrambling to raft building and canoeing. Pupils have gone upwards to conquer Helvellyn and downwards to explore the underground caverns of Cumbria. Expeditions have included trips on the Isle of Arran and to the Trossachs National Park as well as Skiing in Austria, to bouldering at Fontainebleau at Easter, or walking in the Bavarian Alps in Southern Germany and sailing in Greece over the Summer.

The Duke of Edinburgh's Award Scheme continues to bring out superb personal qualities in our pupils; good



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## YARM SCHOOL

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### DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

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time-management, perseverance, effective communication skills and personal drive. Pupils have to be self-motivated to achieve Bronze and Gold Awards, with the risk of 'failing' being an integral part of the scheme. It is pleasing to report that 225 are currently involved in Bronze DofE with 104 signing up this year. The bronze award has been completed by 63 students since September 2018. At Gold level, there were an outstanding 15 awards completed during the last academic year; 10 Upper Sixth students (our most recent leavers) and 5 Former Pupils. Currently there are 76 Sixth Formers, equally spread across both Upper and Lower 6, actively engaged on the program, pursuing their Gold Award. One incredible student completed her entire Gold Award at the very end of her Lower Sixth year and is now awaiting her invite to a Royal Palace.

Prior to considering taking up Duke of Edinburgh, pupils can participate in the school's own 'Baccalaureate' award scheme, which encourages pupils from First to Third years to take up, and excel at, five key areas of school life: sport, community service, culture, outdoor education and independent learning, supporting the school's ethos 'educating for life'. 7 pupils achieved award level and 2 pupils gained the demanding accolade of distinction level in the YBACC award this year. A similar scheme also runs in the Prep School.

As you would expect Sport has also played a major role in the life of the school again this year, both within timetabled Games and PE lessons but also in practices fixtures training camps and tours that occur, after school, at weekends and during the school holiday periods.

Prep School and Senior School pupils have taken part in hundreds of fixtures and a significant number of school, county and national tournaments in a range of sports. Many positive sporting links have been made with other schools, clubs and communities that are fostered throughout the year. For example the Stokesley junior hockey squad use the school's AstroTurf facilities for training, 57 players in the Durham County hockey squads are current Yarm School pupils (by far the biggest representation from any single school) and Prep pupils have also undertaken a number of sporting partnership events with local primary schools. Sports tours are also a feature of the opportunities on offer both within the UK and abroad, for example the hockey tour to Edinburgh, the junior netball tour to Shropshire and the senior rugby tour to America and Canada.

In addition to the overall weekly and termly engagement and commitment seen by the pupils in their various sporting endeavours and disciplines noteworthy achievements this year include the following :-

#### **Rugby**

- The 1st XV reached the last 16 in the country of the National Schools' plate.
- The U15 team reached the last 32 of their National Schools' Cup Competition.
- The U13 and U12 teams are County Cup finalists

Representative honours:

Durham County U18, U17, U16 and U15 : 7 players

Independent Schools' Lambs North U18 : 1 player

Durham County Developing Player Programme: 3pupils

England U16 Girls' Touch Rugby: 1 Player

#### **Girls Hockey**

- U13 County Champions and North of England Finalists
- U14 North East Indoor Finalists
- U16 County Champions North East Champions and North of England runners up
- U18 County Champions and North East Finalists

#### **Boys Hockey**

- U14 & U16 County Indoor Cup Champions
- U16 North and National Indoor Finalists
- U13 National Finalist – 4th in the country

Girls and Boys Representative honours:

Durham County squads: 57 pupils

Regional Performance Centre: 5 players

England U16 squad: 1 pupil

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## **YARM SCHOOL**

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### **DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **Netball**

- U19 County Champions and North East Finalists
- U16 County Champions, North East and National Finalists
- U15 and U13 North of England schools in the SNS National Cup

#### **Representative Honours:**

- U17 Elite Regional Squad with Leeds Rhinos : 1 player
- U17 North East Regional Squad : 2 players
- U19 North Durham County squad : 1 player
- U15 Durham County : 2 players

Ireland U16 squad: 1 player

#### **Rowing**

- At the inter-regional trials 28 pupils were asked to represent the Yorkshire region.
- At the National Junior Championships the Women's U18 Coxless Pair won Silver and the Women's U18 Single Sculls won Bronze.
- One rower ranked 5th in the GB U23 trials and top in the GB U20 trials.

#### **Tennis**

- Girls' U15B North Regional Winners
- Girls' U13B North Regional Finalists (Came 2nd)
- Girls' U13A North Winners and ranked 4th best school in the country
- Boys' U15A & B North East Finalists
- All teams competed at the Eton Independent Schools' National Competition

#### **Cross Country and Athletics**

- Cross country: the Yarm runners were the winners of the Intermediate, Junior and Preliminary team events.
- Stockton Athletics Champions (Girls)

#### **Representative honours:**

- As District Champions, 14 athletes competed at the County Championships
- County Representation: 2 athletes
- National Schools' Finalist : 1 athlete

#### **Football**

#### **Representative honours:**

- District Squad representation : 4 players
- Cleveland County : 1 player
- England ISFA U16 : 1 player

#### **Investment policy, objects and performance**

The Directors are permitted by the Memorandum and Articles of Association to invest any surplus funds of the school not immediately required for the furtherance of its objects. The agreed policy is to place such funds on deposit in high interest bearing bank accounts which will still allow access to the funds when necessary. The rate of interest received is considered to be adequate.

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## YARM SCHOOL

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### DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

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#### Financial review

##### Results for the year

The consolidated net surplus of the School from unrestricted funds was £1.89m. As a result the School's unrestricted funds grew to £37m. Details of the subsidiary company results can be found in note 16 to the financial statements.

The School considers a number of Key Performance Indicators in relation to financial performance. These indicators allow the School to monitor performance overtime and in relation to the sector in general.

The Net Movement in Funds for the year was £1.89m (£1.95m 2017/18), this represented a surplus of 14.2% against gross fee income. These funds continue to be used to reinvest in future developments within School. This commitment to capital developments is shown by the 3 year capital spend per pupil of £3,548, compared to a national average within the sector of £1,724 per pupil.

##### Reserves level and policy, and financial viability

The School's reserve policy is to maintain sufficient unrestricted income reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall. Internal funding will continue to be accumulated in order to further develop the school's facilities whilst maintaining funds to meet the day to day working capital requirements. The School's total reserves of £37.1m at the year-end include restricted funds of £0.7m and funds held as fixed assets of £36.8m.

##### Principal risks and uncertainties

The Board considers the main areas of the School's operations and regularly reviews the main risks in each of these areas, as assessed by the Senior Management Team using specified escalation criteria.

In the opinion of the Directors, the School has established resources and reviewed systems, which, under normal conditions, should allow these risks to be mitigated to an acceptable level in its day-to-day operations.

The Governing Body considers the economic turbulence in recent years, political uncertainty and possible changes to arrangements regarding VAT or Business Rates and the affordability of fees by parents across the independent sector to be the major risks faced by the School. While numbers on roll are currently buoyant, there is no room for complacency. In the summer term 2018, the Governors therefore decided to cap the increase in school fees to 2.9%. Other key risks include the loss of key personnel from the Executive and, while unlikely, the potential for incidents (health and safety, child protection etc) which stand to impact on employees, pupils and affect the wider reputation of the School. The major risks are reviewed annually by the Governors through the Compliance Committee, following recommendations from the Senior Management Team. The recommendations from the Compliance Committee regarding risk management are then escalated annually to Main Board for authorisation. On a day to day basis, the breadth of activities and associated risks are managed by careful planning and risk assessment. Risk assessments are monitored by the Health and Safety Coordinator, the Estates Manager and the Deputy Headmaster, as appropriate. A Health and Safety Committee, which comprises key teaching and administrative staff takes place once a term.

A range of generic controls are in place in order to minimise routine operational risk, such as:

- Detailed terms of reference and formal agendas for all Board committees and activity;
- Strategic development planning, which is reviewed annually;
- Comprehensive budgeting and accounting;
- Clear and established organisational structures and reporting;
- Formal written policies, with clear authorisation and approval levels;
- Comprehensive vetting procedures required by law for the protection of vulnerable groups

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## **YARM SCHOOL**

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### **DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **Plans for future periods**

##### **Future plans**

The School's current development plan is kept under regular review by the Senior Management Team, for annual submission to the Governing Body. The primary future plans for Yarm School are set out in the Development Plan, and include a number of issues which are influenced by the national education agenda over which the School has minimal influence, such as curriculum reviews at A level and GCSE, plans for capital development and preparation for the next inspection. The School is also engaged in an ongoing cycle of self-review for subject Departments, welfare and pastoral support, in addition to re-development of the Prep School.

The School will not deviate from its educational objectives, aiming to continually improve the exam performance of its pupils, while further developing the extra-curricular offering.

The School will continue to allocate funds to extend the availability of places to those who would benefit from education in the School. It remains committed to engaging with and providing benefit to the local community through a range of initiatives, projects and events.

The development of the School's facilities will continue to provide an environment that will encourage and support pupil development, by continuing work on both educational and sporting facilities.

##### **Information on fundraising practices**

The School gets occasional donations from parents but does not undertake significant fundraising from the public and does not use a commercial participator. Fundraising income comes from activities run by the school such as holiday clubs and the hiring out of the auditorium. There is therefore no regulatory scheme to be followed.

No complaints have been received about our fundraising practices

##### **Directors' responsibilities statement**

The Directors (who are also directors of Yarm School for the purposes of company law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. 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 School and the group and of the incoming resources and application of resources, including the income and expenditure, of the School and the group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School and the group will continue in operation.

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

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## YARM SCHOOL

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### DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

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#### Disclosure of information to auditors

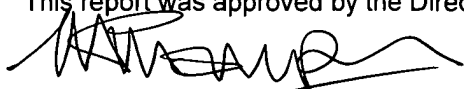
The Directors at the time when this Directors' report is approved have confirmed that:

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

#### Auditors

The auditors, Waltons Clark Whitehill Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Directors, on 3/12/19 and signed on their behalf by:



Mr M Thompson (Chairman), BA (Hons), ACMA, GCMA  
Director



Mr K Shotton BA (Hons), FCA  
Director

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## YARM SCHOOL

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YARM SCHOOL

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#### Unqualified Opinion

We have audited the financial statements of Yarm School (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 August 2019 set out on pages 23 to 46. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2019 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### 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 group 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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent 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 Directors is 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.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YARM SCHOOL**

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We have nothing to report in this regard.

**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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' report and the Group 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 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:

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

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the group or the parent 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

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## YARM SCHOOL


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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YARM SCHOOL

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#### Use of our report

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



Heather O'Driscoll FCA (senior statutory auditor)

for and on behalf of

**Waltons Clark Whitehill Limited**

Chartered Accountants and Statutory Auditors

Maritime House

Harbour Walk

The Marina

Hartlepool

TS24 0UX

Date:



# YARM SCHOOL

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	3	-	1	1	15
Charitable activities:	4				
School fees		12,566	-	12,566	12,226
Other educational income		209	-	209	197
Other ancillary income		975	-	975	961
Other trading activities	5	403	-	403	274
Investments	6	62	-	62	27
Other income	7	1	3	4	8
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>14,216</b>	<b>4</b>	<b>14,220</b>	<b>13,708</b>
<b>EXPENDITURE ON:</b>					
Raising funds	9	596	-	596	606
Charitable activities	10	11,722	14	11,736	11,151
<b>TOTAL EXPENDITURE</b>	<b>8</b>	<b>12,318</b>	<b>14</b>	<b>12,332</b>	<b>11,757</b>
<b>NET INCOME / (EXPENDITURE) BEFORE INVESTMENT LOSSES</b>		<b>1,898</b>	<b>(10)</b>	<b>1,888</b>	<b>1,951</b>
Change in value of investments		(1)	-	(1)	-
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>		<b>1,897</b>	<b>(10)</b>	<b>1,887</b>	<b>1,951</b>
Transfers between Funds	24	(6)	6	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>1,891</b>	<b>(4)</b>	<b>1,887</b>	<b>1,951</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>1,891</b>	<b>(4)</b>	<b>1,887</b>	<b>1,951</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		35,154	74	35,228	33,277
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>37,045</b>	<b>70</b>	<b>37,115</b>	<b>35,228</b>

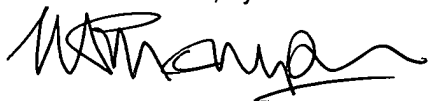
The notes on pages 27 to 46 form part of these financial statements.

**YARM SCHOOL**  
**REGISTERED NUMBER: 04451356**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	£000	2019 £000	2018 £000
<b>FIXED ASSETS</b>				
Tangible assets	15		36,797	35,600
<b>CURRENT ASSETS</b>				
Stocks	17	99		95
Debtors	18	139		120
Investments	19	6,645		7,593
Cash at bank and in hand		1,903		892
		<u>8,786</u>		<u>8,700</u>
<b>CREDITORS: amounts falling due within one year</b>	20	<u>(3,279)</u>		<u>(3,309)</u>
<b>NET CURRENT ASSETS</b>			<u>5,507</u>	<u>5,391</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>42,304</u>	<u>40,991</u>
<b>CREDITORS: amounts falling due after more than one year</b>	21		<u>(5,189)</u>	<u>(5,763)</u>
<b>NET ASSETS</b>			<u><u>37,115</u></u>	<u><u>35,228</u></u>
<b>CHARITY FUNDS</b>				
Restricted funds	24		70	74
Unrestricted funds	24		37,045	35,154
<b>CHARITY'S FUNDS</b>			<u><u>37,115</u></u>	<u><u>35,228</u></u>

The financial statements were approved and authorised for issue by the Directors on 3<sup>rd</sup> December'19 and signed on their behalf, by:



Mr M Thompson (Chairman), BA (Hons), ACMA, Mr K Shotton BA (Hons.), FCA  
 GCMA



Director

Director

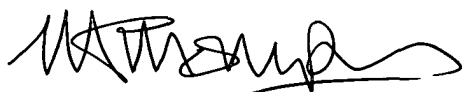
The notes on pages 27 to 46 form part of these financial statements.

**YARM SCHOOL**  
**REGISTERED NUMBER: 04451356**


**SCHOOL BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	£000	2019 £000	£000	2018 £000
<b>FIXED ASSETS</b>					
Tangible assets	15		36,797		35,600
<b>CURRENT ASSETS</b>					
Stocks	17	17		10	
Debtors	18	227		175	
Investments	19	6,645		7,593	
Cash at bank and in hand		1,790		853	
		<u>8,679</u>		<u>8,631</u>	
<b>CREDITORS:</b> amounts falling due within one year	20	(3,262)		(3,273)	
<b>NET CURRENT ASSETS</b>			5,417		5,358
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>42,214</u>		<u>40,958</u>
<b>CREDITORS:</b> amounts falling due after more than one year	21		(5,189)		(5,763)
<b>NET ASSETS</b>			<u>37,025</u>		<u>35,195</u>
<b>CHARITY FUNDS</b>					
Restricted funds	24		70		91
Unrestricted funds	24		36,955		35,104
<b>TOTAL FUNDS</b>			<u>37,025</u>		<u>35,195</u>

The financial statements were approved and authorised for issue by the Directors on 3<sup>rd</sup> December '19 and signed on their behalf, by:



Mr M Thompson (Chairman), BA (Hons), ACMA, K Shotton BA (Hons.), FCA  
GCMA



Director

Director

The notes on pages 27 to 46 form part of these financial statements.

**YARM SCHOOL**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	2019 £000	2018 £000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	26	3,206	3,825
<b>Cash flows from investing activities:</b>			
Interest		62	27
Purchase of tangible fixed assets		(2,354)	(1,129)
<b>Net cash used in investing activities</b>		(2,292)	(1,102)
<b>Cash flows from financing activities:</b>			
Repayments of borrowings		(530)	(463)
Interest paid		(320)	(339)
Decrease /(Increase) in over 3 month deposit accounts		726	(2,509)
<b>Net cash used in financing activities</b>		(124)	(3,311)
<b>Change in cash and cash equivalents in the year</b>		790	(588)
Cash and cash equivalents brought forward		5,211	5,799
<b>Cash and cash equivalents carried forward</b>		6,001	5,211

The notes on pages 27 to 46 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

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

Yarm 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.

**1.2 Basis of consolidation**

The financial statements consolidate the accounts of Yarm School and all of its subsidiary undertakings ('subsidiaries').

The School has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The surplus on the income and expenditure account for the year dealt with in the financial statements of the School was £1.8m (2018 - £1.9m) and the gross income of the School was £14m (2018: £13.6m).

**1.3 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Directors 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. ACCOUNTING POLICIES (continued)**

**1.4 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.

Fees consist of charges billed for the year after deducting scholarships, bursaries and allowances.

Bursary, scholarship and allowance deductions are included in the period for which the award is given and are treated as a reduction of the fees to which they relate.

Donations received for the general purposes of the School are included in unrestricted funds. Donations for activities restricted by the wishes of the donor are taken to restricted funds.

Grants received for a specific purpose are taken to restricted funds.

Trading income includes income from the sale of school uniforms and other goods in the school shop as well as auditorium hire and bar sales.

Investment income is recognised on an accruals basis.

**1.5 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.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred on the School's educational operations, including support costs and costs relating to the governance of the School and allocated on a specific basis.

**1.6 Going concern**

The Directors, having made due and careful enquiry and preparing forecasts, are of the opinion that the School has adequate working capital to execute its operations over the next twelve months. The Directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. As a result the Directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

**1.7 Tangible fixed assets and depreciation**

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £1k together with vehicles, furniture, machinery, ICT infrastructure and other equipment costing more than £1k are capitalised and carried in the balance sheet at historical cost. In the case of a large capital scheme costing in excess of £1k all amounts relating to this will be capitalised even if individual items are below £1k. In certain circumstances, where the original costs of assets are not ascertainable, a reasonable estimate of the cost, if material, has been used.

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## YARM SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

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#### 1. ACCOUNTING POLICIES (continued)

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 bases:

New buildings	-	1% to 2.5% per annum
Playing fields development costs	-	10% per annum
Freehold properties	-	4% per annum
Building improvements, extensions	-	2% to 10% per annum
Motor vehicles	-	20% per annum
Fixtures, fittings and equipment	-	20% / 33% per annum

##### 1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

##### 1.9 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 Bank.

##### 1.10 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.

##### 1.11 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.

##### 1.12 Liabilities and provisions

Liabilities 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 within interest payable and similar charges.

##### 1.13 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.

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## YARM SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.14 Pensions

The School contributes to the Teachers' Pension Scheme at rates set by the Scheme Actuary and advised to the Directors by the Scheme Administrator.

The scheme is a multi employer pension scheme, and it is not possible to identify assets and liabilities of the scheme which are attributable to the School (see note 29). In accordance with FRS 102 therefore the scheme is accounted for as a defined contribution scheme. In addition the School operates defined contribution schemes for non-teaching staff. Contributions to both schemes are charged to the SOFA as they become payable in accordance with the scheme rules.

##### 1.15 Advance fees scheme

The School gives parents the opportunity to pay fees in advance. A discount is allowed when calculating the advance payments to reflect the interest which can be earned by the School. Fees for future years are estimated when the advance fee is calculated and any difference when actual fee levels are known is charged/credited to parents' main account.

#### 2. COMPANY STATUS

The School is a company limited by guarantee and incorporated in England and Wales.  
The address of the registered office is,  
Yarm School  
The Friarage  
Yarm  
TS15 9EJ

The members of the company are the Directors named on page 3. In the event of the School being wound up, the liability in respect of the guarantee is limited to £1 per member of the School.

#### 3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Donations	-	1	1	15
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total 2018</i>	9	6	15	
	<hr/>	<hr/>	<hr/>	



# YARM SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
School fees	12,566	-	12,566	12,226
Other educational income	209	-	209	197
Other ancilliary trading income	975	-	975	961
	<u>13,750</u>	<u>-</u>	<u>13,750</u>	<u>13,384</u>
<i>Total 2018</i>	<u>13,384</u>	<u>-</u>	<u>13,384</u>	

#### 4.a School fees

	2019 £000	2018 £000
School fees	13,330	12,962
Less: Bursaries, scholarships and allowances	(764)	(736)
	<u>12,566</u>	<u>12,226</u>

Scholarships and bursaries of £513k were awarded to 120 pupils (2018: £499k to 121 pupils).

#### 4.b Other educational income

	2019 £000	2018 £000
Registration, exam fees and fees in lieu	184	176
After school activities and cundry income	25	21
	<u>209</u>	<u>197</u>

#### 4.c Other ancilliary income

	2019 £000	2018 £000
Catering income	703	678
Bus income	272	283
	<u>975</u>	<u>961</u>

# YARM SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 5. TRADING ACTIVITIES

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
<b>Charity trading income</b>				
Uniform sales	143	-	143	138
Refreshments	95	-	95	9
Holiday school	50	-	50	51
Hirings	115	-	115	76
<b>Sub total</b>	<b>403</b>	<b>-</b>	<b>403</b>	<b>274</b>
<b>Charity trading expenses</b>				
Holiday schools	(14)	-	(14)	(12)
Hirings	(57)	-	(57)	(66)
Uniform costs	(97)	-	(97)	(100)
Refreshment costs	(96)	-	(96)	(1)
Staff costs	(24)	-	(24)	(62)
<b>Sub total</b>	<b>(288)</b>	<b>-</b>	<b>(288)</b>	<b>(242)</b>
<b>Net (expenditure)/income from trading activities</b>	<b>115</b>	<b>-</b>	<b>115</b>	<b>33</b>

### 6. INVESTMENT INCOME

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Bank interest received	62	-	62	27
<b>Total 2018</b>	<b>27</b>	<b>-</b>	<b>27</b>	

# YARM SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 7. OTHER INCOMING RESOURCES

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Surplus on sale of assets	1	3	4	8
<i>Total 2018</i>	8	-	8	

### 8. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2019 £000	Depreciation 2019 £000	Other costs 2019 £000	Total 2019 £000	Total 2018 £000
Costs of raising funds (note 9)	-	-	308	308	365
Trading costs (note 5)	24	-	264	288	241
<b>Costs of raising funds</b>	<b>24</b>	<b>-</b>	<b>572</b>	<b>596</b>	<b>606</b>
Teaching	6,572	967	1,155	8,694	8,241
Welfare	-	13	738	751	695
Premises	500	155	913	1,568	1,485
Support	496	22	193	711	720
<b>Charitable activities</b>	<b>7,568</b>	<b>1,157</b>	<b>2,999</b>	<b>11,724</b>	<b>11,141</b>
<b>Governance (note 11)</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>12</b>	<b>10</b>
	<b>7,592</b>	<b>1,157</b>	<b>3,583</b>	<b>12,332</b>	<b>11,757</b>
<i>Total 2018</i>	<i>7,204</i>	<i>1,111</i>	<i>3,442</i>	<i>11,757</i>	

# YARM SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 9. RAISING FUNDS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Bank interest paid	320	-	320	339
Bad debts	(12)	-	(12)	26
Trading costs (note 5)	288	-	288	241
<b>Total</b>	<b>596</b>	<b>-</b>	<b>596</b>	<b>606</b>

In 2018, of the total expenditure on raising funds, £606k was to unrestricted funds and £NIL was to restricted funds.

### 10. CHARITABLE ACTIVITY

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Teaching	8,688	6	8,694	8,241
Welfare	751	-	751	695
Premises	1,560	8	1,568	1,485
Support	711	-	711	720
Governance (note 11)	12	-	12	10
<b>Total</b>	<b>11,722</b>	<b>14</b>	<b>11,736</b>	<b>11,151</b>

In 2018 of the total expenditure on charitable activity, £11,151k was to unrestricted funds and £NIL was to restricted funds.

### 11. GOVERNANCE COSTS

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Auditors' remuneration	10	-	10	9
Governors' meeting costs	2	-	2	1
<b>Total</b>	<b>12</b>	<b>-</b>	<b>12</b>	<b>10</b>

In 2018, of the total expenditure on governance costs, £10k was to unrestricted funds and £NIL was to restricted funds.

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**YARM SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**12. NET MOVEMENT IN FUNDS**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
<b>Group</b>		
Net movement in funds	<b>1,887</b>	<b>1,950</b>
Capital expenditure	<b>(2,354)</b>	<b>(1,129)</b>
	<hr/>	<hr/>
Net movement in funds after capital expenditure	<b>(467)</b>	<b>821</b>
	<hr/>	<hr/>

**13. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Depreciation of tangible fixed assets:		
- owned by the charitable group	<b>1,157</b>	<b>1,111</b>
Auditors' remuneration - audit	<b>9</b>	<b>8</b>
Auditors' remuneration - other services	<b>1</b>	<b>1</b>
	<hr/>	<hr/>

During the year, no Directors received any remuneration (2018 - £NIL).

During the year, no Directors received any benefits in kind (2018 - £NIL).

During the year, 4 Directors received reimbursement of expenses £1k (2018 2 Directors - £1k).

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## YARM SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

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#### 14. STAFF COSTS

Staff costs were as follows:

	2019 £000	2018 £000
Wages and salaries	6,192	5,891
Social security costs	589	560
Other pension costs	811	753
	<u>7,592</u>	<u>7,204</u>

During the year total settlement agreements of £30k were paid. These have been recognised in the period paid and there were no amounts outstanding at the year end.

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

	2019 No.	2018 No.
Education	175	171
Premises	34	35
Support	17	17
	<u>226</u>	<u>223</u>

Average headcount expressed as a full time equivalent:

	2019 No.	2018 No.
Education	144	142
Premises	23	23
Support	16	16
	<u>183</u>	<u>181</u>

The number of higher paid employees was:

	2019 No.	2018 No.
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	2	1
In the band £100,001 - £110,000	1	1

Contributions were paid to the Teachers' Pension Scheme for the higher paid employees.

Indemnity insurance is paid in respect of the Directors. It is not possible to quantify the premium paid as it is included in the School's public liability premium.

Total remuneration paid to key management personnel was £505k (2018: £481k).

# YARM SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 15. TANGIBLE FIXED ASSETS

Group and School	Freehold property £000	Motor vehicles £000	Fixtures and fittings £000	Total £000
<b>Cost</b>				
At 1 September 2018	38,271	299	3,978	42,548
Additions	1,971	-	383	2,354
At 31 August 2019	40,242	299	4,361	44,902
<b>Depreciation</b>				
At 1 September 2018	3,302	210	3,436	6,948
Charge for the year	853	26	278	1,157
At 31 August 2019	4,155	236	3,714	8,105
<b>Net book value</b>				
At 31 August 2019	36,087	63	647	36,797
At 31 August 2018	34,969	89	542	35,600

All assets are used for charitable purposes.

Included in land and buildings is freehold land at cost of £2,941k (2018: £2,941k), which is not depreciated.

### 16. PRINCIPAL SUBSIDIARIES

#### Yarm School Trading Limited

Subsidiary name	Yarm School Trading Limited
Company registration number	04436079
Basis of control	Shareholding
Equity shareholding %	100%
Total assets as at 31 August 2019	£ 200,521
Total liabilities as at 31 August 2019	£ (111,299)
Total equity as at 31 August 2019	£ 89,222
Turnover for the year ended 31 August 2019	£ 296,779
Expenditure for the year ended 31 August 2019	£ (239,097)
Profit for the year ended 31 August 2019	£ 57,682

# YARM SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 16. PRINCIPAL SUBSIDIARIES (continued)

The registered office of Yarm School Trading Limited is:

Yarm School  
The Friarage  
Yarm  
TS15 9EJ

### 17. STOCKS

	<u>Group</u>		<u>School</u>	
	2019	2018	2019	2018
	£000	£000	£000	£000
Stock for resale	99	95	17	10

### 18. DEBTORS

	<u>Group</u>		<u>School</u>	
	2019	2018	2019	2018
	£000	£000	£000	£000
Trade debtors	6	1	-	-
Amounts owed by group undertakings	-	-	93	56
Fee debtors	1	8	1	8
Other debtors	-	6	-	6
Prepayments and accrued income	132	105	133	105
	<u>139</u>	<u>120</u>	<u>227</u>	<u>175</u>

### 19. CURRENT ASSET INVESTMENTS

	<u>Group and School</u>	
	2019	2018
	£000	£000
Deposit accounts	6,631	7,578
Listed investments	14	15
	<u>6,645</u>	<u>7,593</u>

#### Group and School listed investments

The market value of the listed investments at 31 August 2019 was £14k (31 August 2018: £15k).



# YARM SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 20. CREDITORS: Amounts falling due within one year

	Group		School	
	2019	2018	2019	2018
	£000	£000	£000	£000
Bank loans	529	529	529	529
Trade creditors	152	175	150	171
Other taxation and social security	164	150	153	144
Acceptance deposits	25	27	25	27
Advance fee payments	53	51	53	51
Development bond	8	8	8	8
Other creditors and accruals	793	874	789	848
Fees in advance of term	1,555	1,495	1,555	1,495
	<b>3,279</b>	<b>3,309</b>	<b>3,262</b>	<b>3,273</b>

Other creditors include pension contributions payable of £92k (2018: £90k).

The development bonds may be redeemed at the end of any School year.

### 21. CREDITORS: Amounts falling due after more than one year

	Group		School	
	2019	2018	2019	2018
	£000	£000	£000	£000
Bank loans	4,896	5,426	4,896	5,426
Acceptance deposits	253	257	253	257
Advance fee payments	40	80	40	80
	<b>5,189</b>	<b>5,763</b>	<b>5,189</b>	<b>5,763</b>

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## YARM SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

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#### 21. CREDITORS: Amounts falling due after more than one year (continued)

Creditors include amounts not wholly repayable within 5 years as follows:

	<b>Group</b>		<b>School</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Repayable by instalments	<b>2,779</b>	<b>3,308</b>	<b>2,779</b>	<b>3,308</b>
Repayable other than by instalments	<b>146</b>	<b>148</b>	<b>146</b>	<b>148</b>
	<b>2,925</b>	<b>3,456</b>	<b>2,925</b>	<b>3,456</b>

The loan facility is £9m to part-finance the development of the School buildings and facilities, and is repayable over a total of 17 years.

The bank loan is secured by a legal charge over the freehold property at Grammar School Lane, The Spital and The Friarage, Yarm.

The total loan is split into three parts. The first is repayable in installments with fixed interest at 4.9%. The second is interest only until 2024 with fixed interest at 5.02%. The third part is repayable in instalments and has a variable interest rate. In each case interest is charged quarterly.

#### 22. ADVANCE FEE PAYMENTS

Parents may enter into a contract to make a deposit to pay fees in advance. The money may be returned subject to specific conditions.

Assuming pupils remain with the School, deposited fees will be applied as follows:

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Within two to five years	<b>40</b>	<b>80</b>
Within one year	<b>53</b>	<b>51</b>
Total	<b>93</b>	<b>131</b>

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**YARM SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**22. ADVANCE FEE PAYMENTS (continued)**

The movements during the year were:

	2019 £000	2018 £000
Balance at 1 September 2018	131	218
New receipts of deposited fees	13	-
Discounts accrued to contracts	1	2
Amounts utilised on fees to the School	(52)	(89)
	<hr/>	<hr/>
Balance at 31 August 2019	93	131
	<hr/>	<hr/>

**23. ACCEPTANCE DEPOSITS**

Other creditors include acceptance deposits which are repayable as follows:

	2019 £000	2018 £000
After 5 years	146	148
Within two to five years	107	109
Within one year	25	27
	<hr/>	<hr/>
Total	278	284
	<hr/>	<hr/>

# YARM SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 24. STATEMENT OF FUNDS

#### STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
<b>Unrestricted funds</b>						
General Funds	27,988	14,216	(12,318)	175	(1)	30,060
Freehold Property Fair Value Reserve	7,166	-	-	(181)	-	6,985
	<u>35,154</u>	<u>14,216</u>	<u>(12,318)</u>	<u>(6)</u>	<u>(1)</u>	<u>37,045</u>
<b>Restricted funds</b>						
Facilities Fund	60	1	(7)	-	-	54
Early Years Fund	7	-	-	-	-	7
Gifted and Talented Fund	4	-	-	-	-	4
Capital Equipment	3	3	(1)	-	-	5
Contribution towards outdoor education salary	-	-	(6)	6	-	-
	<u>74</u>	<u>4</u>	<u>(14)</u>	<u>6</u>	<u>-</u>	<u>70</u>
<b>Total of funds</b>	<u>35,228</u>	<u>14,220</u>	<u>(12,332)</u>	<u>-</u>	<u>(1)</u>	<u>37,115</u>

On transition to FRS 102 the School took the opportunity to revalue land and buildings. This uplift went to the fair value reserve. The new value is treated as deemed cost in the financial statements.

A transfer has been made between the general unrestricted fund and the fair value reserve in order to reflect the element of depreciation due to this revaluation of land and buildings. This reserve will reduce over the life of the assets concerned.

The Facilities and Capital Equipment Funds represent donations received to finance the purchase of equipment. Income represents restricted assets sold and expenditure includes assets purchased with restricted donations and the depreciation charged on the assets to which the donations contributed.

The Early Years Fund represents grants received towards capital projects. This is yet to be spent.

The Gifted and Talented Programme has been run in conjunction with Stockton and Middlesbrough Schools since 2006.

# YARM SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 24. STATEMENT OF FUNDS (continued)

#### STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 August 2018 £000
<b>General funds</b>					
General Funds	25,840	13,702	(11,734)	180	27,988
Freehold Property Fair Value Reserve	7,346	-	-	(180)	7,166
<b>Restricted funds</b>					
Facilities Fund	74	-	(14)	-	60
Early Years Fund	7	-	-	-	7
Gifted and Talented Fund	4	-	-	-	4
Capital Equipment	6	-	(3)	-	3
Contribution towards outdoor education salary	-	6	(6)	-	-
	91	6	(23)	-	74
<b>Total of funds</b>	<b>33,277</b>	<b>13,708</b>	<b>(11,757)</b>	<b>-</b>	<b>35,228</b>

### 25. ANALYSIS OF NET ASSETS BETWEEN FUNDS

#### ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	36,786	11	36,797
Current assets	8,727	59	8,786
Creditors due within one year	(3,279)	-	(3,279)
Creditors due in more than one year	(5,189)	-	(5,189)
	37,045	70	37,115

**YARM SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**25. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<i>Unrestricted funds 2018 £000</i>	<i>Restricted funds 2018 £000</i>	<i>Total funds 2018 £000</i>
Tangible fixed assets	35,585	15	35,600
Current assets	8,641	59	8,700
Creditors due within one year	(3,309)	-	(3,310)
Creditors due in more than one year	(5,763)	-	(5,763)
	<u>35,154</u>	<u>74</u>	<u>35,227</u>

**26. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>Group</b>
	<b>2019 £000</b>
	<b>2018 £000</b>
Net income for the year (as per Statement of Financial Activities)	1,887
<b>Adjustment for:</b>	
Depreciation charges	1,157
Loss on investments	1
Interest	(62)
Increase in stocks	(4)
(Increase)/decrease in debtors	(19)
(Decrease)/increase in creditors	(74)
Interest paid	320
<b>Net cash provided by operating activities</b>	<b>3,206</b>

**27. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>Group</b>
	<b>2019 £000</b>
	<b>2018 £000</b>
Cash in hand	1,903
Notice deposits (less than 3 months)	4,098
<b>Total</b>	<b>6,001</b>

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## YARM SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

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#### 28. CAPITAL COMMITMENTS

At 31 August 2019 the group and School had capital commitments as follows:

	<u>Group</u>		<u>School</u>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Contracted for but not provided in these financial statements	<b>87</b>	<b>897</b>	<b>87</b>	<b>897</b>

#### 29. PENSION COMMITMENTS

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £703k (2018: £729k) and £92k (2018: £90k) was outstanding 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.

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

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 discriminations will be remedied.

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.

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.

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**YARM SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**29. PENSION COMMITMENTS (continued)**

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal 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.