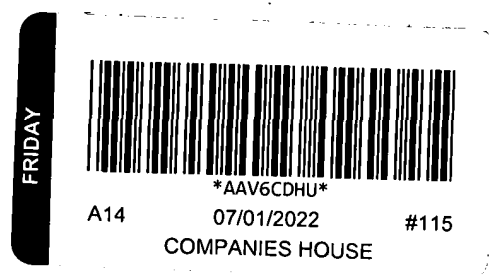


Registered number: 04726427
Charity number: 1098586

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

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KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Trustees

Co-optative Governors:

Mr P R F D Aylott^{1,2,6}
Miss S M Brereton^{1,2}
Mr J W Bridge OBE, DL, Vice Chairman^{1,2}
Mr P J Farrar^{2,4}
Mr J A Gray, Chairman^{1,2,3,4,5,6,7}
Mrs K E S Lancaster (Representative to AGBIS)²
Mrs B E Madson (resigned 12 November 2021)^{2,6}
Mr G R K Peace^{1,5}
Mrs T J Reid^{4,7}
Mr G R Yeandle^{1,2}

Nominative Governors:

Mrs J L Doyle, OKA¹
Cllr I D Gardener, HDC⁵
Mrs D A Hellett, Kimbolton Parish Council^{3,5}
Dr T P Hynes, St John's College, Cambridge (resigned 4 December 2020)^{2,4}
Dr P V Loughna, Nottingham University^{4,7}
Mr S F J Page (Governor Responsible for Safeguarding), OKA^{1,3,4,7}
Mrs J L Rice, KSPA^{3,5}
Mr D J Suckling, KSPA^{2,3,6}

- ¹ Finance Committee (Chairman - Mr G R Yeandle)
- ² Policy Committee (Chairman - Mr J W Bridge)
- ³ Health and Safety Committee (Chairman - Mr S F J Page)
- ⁴ Education Committee (Chairman - Mr P J Farrar)
- ⁵ Estates Committee (Chairman - Mr G R K Peace)
- ⁶ Risk Committee (Chairman - Mr P R Aylott)
- ⁷ Parental complaints - Mr William Phelan is an Independent Advisor (Principal, Stamford Endowed Schools)

Company registered number

04726427

Charity registered number

1098586

Registered office

Kimbolton School, Kimbolton, Huntingdon, PE28 0EA

Headmaster

Mr J Belbin BA

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Bursar, Clerk to the Governors and Company Secretary

Mr Edward F P Valletta (retired April 2021)

Mrs J F Agnew LLB Hons LLM (appointed April 2021)

Independent auditors

Streets Audit LLP, Potton House, Wyboston Lakes, Great North Road, Wyboston, Bedford, MK44 3BZ

Solicitors

Roythornes Solicitors, The Incubator, Alconbury Enterprise Campus, Huntingdon, Cambs, PE28 4XA

Farrer & Co, 66 Lincoln's Inn Fields, London, WC2A 3LH

Greenwoods Solicitors LLP, Monkstone House, City Road, Peterborough, PE1 1JE

Insurance Brokers

SFS Group, SFS Group Ltd, Endsleigh Park, Shurdington Road, Cheltenham, GL51 4UE

Marsh - Education Practice, Capital House, 1-5 Perrymount Road, Haywards Heath, West Sussex, RH16 3SY

Bankers

Barclays Bank plc, Mortlock House, PO Box 855, Histon, CB24 9DE

Bank of Scotland, The Mound, Edinburgh, EH1 1YZ

Aldermore Bank plc, First Floor Block B, Western House, Lynch Wood, Peterborough, PE2 6FZ

KIMBOLTON SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees, who are also the School's Governors and Directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements of Kimbolton School (the School and the Group) for the year ended 31 August 2021. The Trustees confirm that the annual report and financial statements of the School and the Group comply with current statutory requirements, the requirements of the School and the Group's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Status and Administration

The School is registered as a charitable company limited by guarantee and was incorporated on 2 April 2003. The School has one wholly owned subsidiary, Kimbolton School Enterprises Limited (company number 02655855). The subsidiary's principal activity throughout the year continued to be the commercial letting of the Castle, for weddings and other functions, as well as the School's sports centre and other facilities. The School is also corporate trustee for Kimbolton School Foundation (subsidiary charity number 1098586 1). The Charity Commission have granted permission for this charity to be treated as part of the charity known as Kimbolton School (1098586) for the purposes of Part II (registration) and Part VI (accounting) of the Charities Act 2011. On 9 October 2008 a Charity Commission Scheme was issued (W1013/0809) to Kimbolton School Foundation allowing the Foundation to transfer land to be managed and accounted for as part of the corporate body of the company and in 2015 revised Articles of Association were published replacing those written in 2003. On 27 February 2017, a Charity Commission Scheme was issued (C 430439), realigning the land ownership between the Foundation and the School.

b. School Governors/Trustees

The management of the School is the responsibility of the Governors whose appointment is governed by the Articles of Association. The terms Director, Trustee or Governor are interchangeable. The Board of Governors consists of eighteen persons: Ten co-optative Governors and Eight nominative Governors. Co-optative Governors are appointed for a period of five years by a resolution of the Governors at a Full Board meeting. Co-optative Governors can be re-appointed. Nominative Governors are put forward by their appointing body and ratified by the Full Board for a period of three years. Nominative Governors can be re-appointed. A Governor cannot be appointed after his/her 70th birthday.

c. Recruitment and training of Governors

Professor Tom Hynes retired as a Governor in December 2020 and was due to be replaced by another nominated Governor from the University of Cambridge. However, the University of Cambridge notified the School in July 2021 of their decision not to appoint a successor to Professor Tom Hynes, in accordance with their revised policy not to appoint governors to independent schools. The Governors intend to replace Professor Tom Hynes with a Governor from the University sector, thus maintaining the number of governors at 18. Bron Madson resigned from the Board of Governors in November 2021. The Governors intend to replace Bron Madson. No other Governors were appointed, nor any Governor retired during the period December 2020 to December 2021.

When recruiting new Governors, particular note is made of the qualifications and skills of the potential candidates, such as accountancy, legal or estate management, to ensure that a good mix of skills is achieved within the Board as a whole. From time to time a skills audit is undertaken; the last being in September 2020. Potential Governors go through a vetting and interview process, having been recommended to the Policy Committee by another Governor or by the nominating body. All Governors, on appointment, are invited to meet the Chairman and Vice Chairman of Governors, Headmaster and the Clerk. They receive a pack of information including Financial Statements, Terms of Reference for the Committees, Articles of Association etc. The Clerk carries out induction training on the workings of the School and introduces the Governor to the key personnel, in addition to giving a tour. Each Governor signs a declaration as to their willingness to serve the School and is subject to a DBS check and Section 128 Prohibition from Management check (the Chairman is DBS checked through the Secretary of State); in addition they receive Safeguarding training. During their first year of service, they spend a day at the School to see it in operation and are expected to attend one of the training courses run by external agencies such as AGBIS and the ISBA. New Governors are also invited to attend meetings of the two main Sub Committees to see how they work. Throughout the year, the Clerk forwards briefing papers on educational and governorship matters. For the more experienced Governors external courses are also offered and every few years a visit is made to another similar sized school outside Kimbolton School's catchment area to gain ideas and an insight as to how they work. Governors are expected to attend a training course at least once every three years.

KIMBOLTON SCHOOL
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

d. Organisational structure and governance

The Governors meet regularly with the Policy Committee, Health and Safety Committee, Finance Committee and the Full Board meeting each term. Following a decision made in Spring 2021, the Education Committee now also meets three times a year. The Estates Committee meets twice during the course of the year, or as needed. The Parental Complaints Sub Committee (to deal with complaints from parents and subsequent appeals), Bursary Sub Committee (which looks at Bursary applications), Salaries Sub Committee and the Risk Management Sub Committee (which reviews the risks faced by the School) meet as necessary. A Governor (currently Mr Simon Page) is the Governor responsible for Safeguarding and has regular meetings with the Designated Safeguarding Lead and the Bursar, who is responsible for the Single Central Register of appointments.

The day to day running of the School is delegated to the Headmaster and Bursar as the key management personnel; the Senior Leadership Team supports them. The remuneration of key management personnel is set by the Board, with the policy objective of ensuring that they are provided with appropriate incentives to encourage their enhanced performance. The Headmaster and the Bursar attend all the meetings of the above Committees. Members of the Leadership Team attend meetings as listed: The Prep Headmaster and the Senior Deputy Head attends the Policy Committee, the Deputy Head (Academic), the Prep School Headmaster, together with the Prep Deputy Head (Academic), attends the Education Committee. The Prep Deputy Head attends the Estates Committee. The Prep Headmaster attends the relevant section of the Full Board. Other members of staff are invited to meetings to present reports as necessary.

e. Internal controls

The School's financial control system is based on a delegated management structure that is reviewed in conjunction with the School's auditors. The Board takes the view that the internal controls that have been in operation throughout the year continue to be appropriate for the size of school.

f. Persons with Significant Control

The Company knows, or has reasonable cause to believe that there is no registrable person or registrable legal entity in relation to the Company with significant control.

g. Risk management

The Governors are responsible for dealing with the risks faced by the School. Each year the Sub Committees review the risks appertaining to their area of expertise. This review is followed up by the Risk Management Sub Committee, which meets to review all risks and presents the review to the Full Board. The Committee met in November 2021 to report at the December Full Board. At the meeting of the Sub Committee, the Governors were satisfied that the major risks had been identified and mitigated where possible. It is recognised that this system can only provide reasonable, but not absolute assurance, that the major risks have been adequately managed.

The key controls used by the School include:

- Formal agendas for all Committee and Board activity.
- Detailed terms of reference for all Committees (these were last reviewed in 2017).
- Appropriate terms of office for the Chairman of Governors.
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational structures and lines of reporting.
- Formal written policies (together with their regular review).
- Clear authorisation and approval levels.
- Vetting procedures as required by the law for the protection of the vulnerable.
- Adequate and appropriate training for Governors and key staff.

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

OBJECTIVES AND PUBLIC BENEFIT

a. Objectives

The objective of Kimbolton School is to advance the education of boys and girls by the provision and conduct of a school in or near the parish of Kimbolton, and by ancillary or incidental educational activities and other associated activities for the benefit of the community. In meeting these objectives the Kimbolton School's public benefit aim is to provide a first class education, independent of the State system, to 1,064 during 2021/21 between the ages of 4 and 18 both through strong academic tuition and the development of wider sporting, artistic and social skills. This is intended to provide an environment where each pupil can develop and fulfil his or her potential, helping them to build self-confidence and inculcating a desire to contribute to the wider community. In furtherance of these aims, the Kimbolton School Governors, as the charity trustees, have complied with the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub sector guidance concerning the operation of the public benefit requirement under that Act.

b. Public benefit - Bursaries and Scholarships

Kimbolton School educates 1,064 pupils between the ages of 4 to 18 independently of the State system with 758 (2020 736) in the Senior School. The School offers means tested Bursaries in the Senior School up to 110% in value; parents are made aware that the School offers Bursaries through advertising on the School website. The School's Bursary Policy is also published on the website and a sub-committee sits to review applications using a clear set of criteria. Scholastic awards are made based on the individual's educational ability with a maximum Scholarship of no more than 20% being available. The School funds seven places per year group in the Senior School; up to a total of 44 (2020 43) places (although this is set to increase again due to higher numbers at the School). Demand for these places always outstrips availability. In addition there is one (2020 – one) looked after child. The School was able to award £826,771 in scholarships and bursaries to a total of 132 pupils in the Senior School (including Sixth Form) (£770,672 to 127 pupils in 2020). Six bursaries were 100% in value (seven in 2020); some Bursary holders were also in receipt of a scholarship.

Bursaries have been funded through fee income and the School's Bursary Fund. The Bursary Fund currently stands at £495,613 (2020 £425,613) after including accrued interest of £4,256 (2020 £3,812), donations from Kimbolton School Enterprises Ltd of £13,047 (2020 £nil) and other donations and fees in lieu of notice payments totalling £64,393 (2020 £44,871). In addition to the School awards, the Old Kimboltonians' Association Scholarship Trust Fund contributed £1,000 (2020 £1,000) per term towards two Sixth Form pupils, totalling £6,000 (2020 £6,000). A sibling discount is also offered to parents with more than one child at the School. By educating 1,064 children (during 2020/21) outside the State system the School has saved the public purse over £6.6m according to the Independent Schools Council's research on the Impact of our School on the National and Local Economy. In addition, the School contributed over £23.9m to the UK's GDP through purchasing, staffing and direct GDP.

c. Public Benefit - Educational activities

As in the case of the previous reporting year, the global Coronavirus pandemic dominated from September 2020 curtailing many of the Schools activities and open reach initiatives. Due to the ongoing restrictions during academic year 2020/21 and the directed school closures in Spring term 2021, the Masterclass Initiative, which has been running since 2005, was unable to go ahead. Run on Saturday mornings, access is available to over 1,000 local children in Years 5 and 6. Subjects covered include Maths, Science, English and History and, new for 2020 Spanish and Philosophy. Over 200 children in 2020 regularly attended the Saturday sessions, from 70 different local schools. It is intended that such activities will resurrect with the easing of the COVID-19 restrictions. The School partnership with Greenfields Academy in Kettering and the St Neots Learning Partnership (Ernulf School and Longsands Academy) were also unable to meet. Whilst the CCF from St Peter's School in Huntingdon was unable to train alongside the School's CCF having done so since 2010, training support was provided by the School and it is intended that such combined training will resume when permitted to do so. With the public examination system focussed on grading by teachers, our academic staff were not required as examiners for public awarding bodies this year. A handful, however, continue to serve as governors of local state schools, thereby maintaining mutually beneficial links

KIMBOLTON SCHOOL
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

d. Public benefit – Associated activities for the benefit of the community

In addition, the following assistance would have been given to local charities and to the community at no cost: The conservation and preservation of a number of listed properties, including two at Grade 1, together with original pictures and grounds for the benefit of the community at large. Free use of Kimbolton Castle and the grounds for: Kimbolton History Society meetings, as well as providing support for private tours and the Castle Open Days, when the Castle and its grounds, are usually open to the public receiving, in a pre-COVID year, upwards of over 700 people. The School has provided physical and financial assistance to the Society to enable a room to be used in the Castle as a Heritage Centre where the rich history of the building is displayed and used by local schools as an historical resource and as part of the curriculum.

Other organisations have used the School facilities in particular: Use of the Sporting facilities for: Huntingdon Ladies Hockey Club, who have used the Duchess AstroTurf for floodlit training. Following the agreement in July 2016, for a peppercorn lease, the local Cricket Club erected two cricket nets on the Prep School Grounds thereby benefitting both organisations. The following assistance has been given at a subsidised cost: Use of tennis courts by the village club, which were utilised in the summer months when the school was not in session, community use of swimming pool, squash courts, and sports hall. Use of the Swimming pool for: Great Staughton Primary Academy, Spaldwick School, Swans Swimming Club and Kimbolton Primary Academy was sadly suspended this year again due to COVID-19 restrictions but following easing of the restrictions in the summer months, a number of lifeguarding courses were run alongside one-2-one swimming lessons and crash course swim lessons.

Despite the challenges of being schooled during a pandemic, our pupils devised ingenious ways of fundraising for others. From making facemasks in school colours to recording video editions of their annual talent shows, Kimbolton School's Senior School raised £9,200 for a range of local, national and international causes, while its Prep School accrued a further £560 for the Poppy Appeal, £308 for Children in Need and £309 for Comic Relief; additional funds were also raised through the wearing of Christmas Jumpers. The Prep also provided meals to the Bedford FoodBank. Fund raising was also carried out by other groups within the Senior School, including the CCF, who raised £629 for the Royal British Legion by organising a raffle and wearing non-CCF head dress.

The Board consider that through the Bursaries Scheme, assistance to local schools and through the assistance given to the community, it is exceeding its public benefit commitments.

GROUP STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

a. Review of the School's progress

This was a year dominated by Covid. It is difficult to see the events of the past year except through the prism of the pandemic. So many 'essential' school activities were shorn by the expediency of adherence to Covid protocols; no drama performances, orchestra, choirs, trips and precious little inter-school sport.

The focus therefore turned very much towards academia. Reputationally, the School benefited from a strong digital learning culture. All pupils in the Senior School were already 'au fait' with the use of (their own) iPads and the Virtual Learning platform (formerly iTunes-U, latterly Showbie) acted as a strong conduit for remote learning.

The resulting impact could be measured in many ways, not least by some outstanding public examination grades (released in early August 2021). At A-level, almost 70% of the grades were A*/A and, most importantly, all pupils were accepted by their university of choice (for the first time ever, no pupil required the offices of Clearing). At GCSE too, results were formidably strong – 52% at 9/8. Whilst these 'Tagged' results emanated from the School, they were the product of a robust, externally validated process and, thereby, absolutely resilient in the face of national debate.

In a rather ironic manner, the lack of extra-curricular alternatives contributed to an 'academic-fest' which, though somewhat monotonous, enabled pupils to hit levels they otherwise might not have done.

KIMBOLTON SCHOOL
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Parents were overwhelmingly supportive of the measures taken by the School, both in Lockdown and in the 'bubbled' environment of school life. A genuine feeling permeated that Kimbolton School had enjoyed a 'good pandemic war', and numbers remained robust – indeed increased slightly on the back of the good publicity emanating from our online provision.

The target for the next year is making good Covid ravages in the extra-curricular sphere (e.g. a Madrigal Choir in which no-one had sung publicly before) and dealing with the inevitable Mental Health fall-out from the past 18 months. However, the School is buoyant and looking forward to an untrammelled year ahead.

b. Building and development

Although building and development was restricted this year, there was some work on site. The Maintenance Gates at the Senior School were electrified thus increasing the security of the site and the Hard Play Area at the Prep School, which has seen significant use with the introduction of 'bubbles' was resurfaced in April 2021. By way of development of the site, work on a new building comprising of 4 changing rooms, 3 toilets (1 of which supports disabled access) and a cleaners' cupboard commenced in the summer break 2021 and is due for completion in November 2021. Even though maintenance of site was limited in this reporting year, upkeep work of the Castle and other buildings was undertaken to ensure their structural integrity and continued safe use. Furthermore, during the last reporting year, the School has implemented a new Management Information System and HR & Payroll System to replace existing systems that had been in place for some time.

FINANCIAL REVIEW

a. Reserves policy

The financial statements show the assets and liabilities attributable to the various funds by type and summarise the year's movements on each fund. At the Balance Sheet date the Group had unrestricted funds amounting to £35,826,560 (2020 £35,530,204) which includes the revaluation reserve of £20,612,420 (2020 £21,113,969). The Governors anticipate that the School will continue to accumulate sufficient reserves by means of annual operating surpluses to generate resources for the continued development of the School. This policy also accepts the reality of increased pension contributions in future years, as highlighted by the review of the charity's pension arrangements for staff, which is required under Financial Reporting Standard 102.

b. Investment policy

The Charity no longer holds any investment funds. Any surplus cash is held on deposit with other reserves.

c. Financial results

The Group's Statement of Financial Activities reports a surplus of £280,829 for the year (2020 surplus of £866,943), after accounting for actuarial losses of £700,000 (2020 actuarial gains of £790,000) on the School's defined benefit pension scheme. Whilst an increased surplus before actuarial adjustments is being reported this year, there are a number of factors, primarily as a consequence of COVID 19, which have influenced this:

- A number of support staff were furloughed in accordance with the Government's COVID Job Retention Scheme
- Only essential maintenance was carried out on the site
- Limited Capital and Special Works projects were undertaken

The School needs to generate an annual operating surplus to fund the loan taken out for the new building projects, refurbishments and continual improvement of facilities. Noting that there has been minimal investment in the maintenance and improvement of the site and its facilities in the past year, significant investment is required in the next year in order to ensure the integrity of current structures and development of the facilities.

The vast majority of the School's income is derived from School fees. It is the case that the Governors did offer a discount to school fees for the Spring Term 2021 in response to the savings made during the governments enforced school closure. The financial statements illustrate how these funds have been applied in providing educational facilities for the pupils.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

The trading company made a profit after tax of £7,904 (2020 loss of £4,734) after making a donation of £13,047 (2020 £nil) to the School. The trading company benefitted from Government Grants of £8,303. During the year, the company also received £13,500 under the Government's Bounce Back loan scheme. The loan is repayable over a period of 6 years.

d. Fixed assets

The School revalued its property on 1 September 2014, on adoption of SORP 2015, and has purchased additional fixed assets as detailed in note 12. The assets have been capitalised and depreciated in accordance with the accounting policy in note 1.

PLANS FOR THE FUTURE

The Board's third Five Year School Development Plan covering 2015 to 2019 outlined a period of consolidation following recent major investments. It was anticipated that a new Plan would be published in late 2020 however, the pandemic has inevitably lead this to be delayed until accounting year 2021/22.

a. Bursaries

Recent years have seen the more systematic earmarking of resources for Bursaries. The School's provision 2021 stands at 44 places (2020 43 places) being available from fee income. This will increase by one student a year over seven years until the total number of Bursaries available is 49 places.

b. Building

In addition to the completion over the last five years of the Prep, Outdoor Pursuits, Queen Katharine Building and the Orangery and Donaldson refurbishment, the School has invested in a new set of changing rooms. TG Escapes were contracted to deliver the build, which is due for completion in November 2021. The School is looking at the next project. Work on this is ongoing and will be announced in the next Development Plan.

INFORMATION ON FUNDRAISING PRACTICES

The School's fundraising activities are primarily undertaken by the Kimbolton School Parents' Association (KSPA), a separately constituted subsidiary organisation, which aims:

- To support the School by fundraising activities and to donate monies raised to the School's Grants Committee for the assistance of pupils of all ages
- To assist in furthering the objectives of the School
- To enable parents to meet each other on social occasions
- To support local registered charities approved by the committee

The funds raised by the KSPA are consolidated within these financial statements. The Association raises funds through fundraising activities such as the annual Fireworks Display, balls, quiz nights, Christmas Fair and raffles. Fundraising is carried out primarily within the parent body although the larger events (such as fireworks and concert) are open to the public. The KSPA does not raise money through direct donations or buckets. No complaints were received because of fundraising activities. Due to the restrictions put in place as a consequence of the COVID-19 Pandemic, fundraising activities have been restricted in this financial year to a virtual balloon race, a teddy bear draw and an Olympic virtual fun run.

PENSIONS

The School provides pension facilities for all members of staff, both teaching and non-teaching.

Teaching staff are entitled to join the Teachers' Pension Scheme, administered by the Government. Future projected increases in employer contributions to the Teachers' Pension Scheme are something the Governors will maintain under constant review.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

The Governors agreed that the Local Government Scheme, administered by Cambridgeshire County Council, which had been available to all support staff, would be closed to new members from April 2010 and a defined contribution scheme was set up with the TPT Retirement Solutions (formerly The Pensions Trust). Auto enrolment for the School started in February 2014. The costs of providing a pension scheme continue to grow.

Further details of the pension schemes are given in note 26.

TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Kimbolton School for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group for that period. In preparing these financial statements, the Trustees 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Group will continue in operation.

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

DISCLOSURE OF INFORMATION TO AUDITORS


So far as each of the Trustees is aware at the time the report is approved:

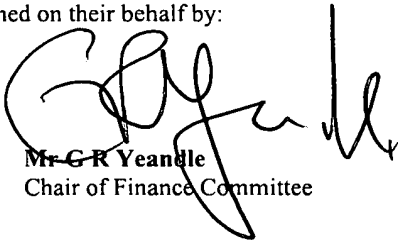
- so far as that Trustee is aware, there is no relevant audit information of which the charitable Group's auditors are unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors have indicated their willingness to continue in office and a resolution that Streets Audit LLP be re appointed as auditors to the School and its subsidiary undertaking will be proposed at the Governors' Meeting.

Approved by order of the members of the board of Trustees and signed on their behalf by:


Mr J A Gray
Chair of Governors
Date: 3 December 2021


Mr C R Yeandle
Chair of Finance Committee

KIMBOLTON SCHOOL
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KIMBOLTON SCHOOL

Opinion

We have audited the financial statements of Kimbolton School (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the School Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 August 2021 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

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

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

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

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- the parent charitable company 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 company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

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

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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulation
- we identified the laws and regulations applicable to the company through discussions with trustees and other management, and from our commercial knowledge and experience of the school
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, Schedule to the Education (Independent School Standards) Regulations 2014; data protection, employment, taxation, environmental and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud. their knowledge of actual , fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non -compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statements and disclosures to underlying supporting documentation;
- reading the minutes of governor meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Linda J Lord BSc BFP FCA TEP (Senior Statutory Auditor)

for and on behalf of

Streets Audit LLP

Chartered Accountants

Registered Auditors

Potton House

Wyboston Lakes

Great North Road

Wyboston

Bedford

MK44 3BZ

Date: *13 December 2021*

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:						
Donations and legacies	3	-	28,223	257,620	285,843	847,031
Charitable activities	4	-	53,359	15,357,672	15,411,031	13,906,001
Other trading activities	5	-	-	48,271	48,271	54,734
Investments	7	-	569	17,382	17,951	21,378
Total income		-	82,151	15,680,945	15,763,096	14,829,144
Expenditure on:						
Raising funds	6	-	-	22,439	22,439	54,312
Charitable activities	8	57,729	52,539	14,649,560	14,759,828	14,698,339
Total expenditure		57,729	52,539	14,671,999	14,782,267	14,752,651
Net (expenditure)/income		(57,729)	29,612	1,008,946	980,829	76,493
Transfers between funds	19	-	12,590	(12,590)	-	-
Net movement in funds before other recognised gains/(losses)		(57,729)	42,202	996,356	980,829	76,493
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	26	-	-	(700,000)	(700,000)	790,000
Net movement in funds		(57,729)	42,202	296,356	280,829	866,493
Reconciliation of funds:						
Total funds brought forward		3,634,484	246,150	35,530,204	39,410,838	38,544,345
Total funds carried forward		3,576,755	288,352	35,826,560	39,691,667	39,410,838

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

The notes on pages 20 to 47 form part of these financial statements.

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04726427

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	44,273,161	44,821,914
Current assets			
Stocks	15	16,532	19,505
Debtors	16	503,098	569,933
Cash at bank and in hand		1,811,200	1,425,233
		<u>2,330,830</u>	<u>2,014,671</u>
Creditors: amounts falling due within one year	17	<u>(3,496,649)</u>	<u>(3,689,141)</u>
Net current liabilities		(1,165,819)	(1,674,470)
Total assets less current liabilities		43,107,342	43,147,444
Creditors: amounts falling due after more than one year	18	(1,091,675)	(2,156,606)
Net assets excluding pension liability		42,015,667	40,990,838
Defined benefit pension scheme liability	26	(2,324,000)	(1,580,000)
Total net assets		<u>39,691,667</u>	<u>39,410,838</u>

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04726427

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 AUGUST 2021

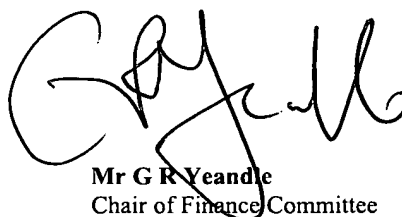
	Note	2021 £	2020 £
Charity funds			
Endowment funds	19	3,576,755	3,634,484
Restricted funds	19	288,352	246,150
Unrestricted funds			
Unrestricted funds excluding pension asset	19	38,150,560	37,110,204
Pension reserve	19	(2,324,000)	(1,580,000)
Total unrestricted funds	19	<u>35,826,560</u>	<u>35,530,204</u>
Total funds		<u><u>39,691,667</u></u>	<u><u>39,410,838</u></u>

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

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



Mr J A Gray
Chair of Governors
Date: 3 December 2021



Mr G R Yeandle
Chair of Finance Committee

The notes on pages 20 to 47 form part of these financial statements.

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04726427

SCHOOL STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	44,272,239	44,820,673
Investments	13	4	4
		<u>44,272,243</u>	<u>44,820,677</u>
Current assets			
Stocks	15	16,532	19,505
Debtors	16	519,644	567,759
Cash at bank and in hand		1,740,082	1,413,602
		<u>2,276,258</u>	<u>2,000,866</u>
Creditors: amounts falling due within one year	17	(3,468,565)	(3,682,126)
Net current liabilities		<u>(1,192,307)</u>	<u>(1,681,260)</u>
Total assets less current liabilities		<u>43,079,936</u>	<u>43,139,417</u>
Creditors: amounts falling due after more than one year	18	(1,080,200)	(2,156,606)
Net assets excluding pension liability		<u>41,999,736</u>	<u>40,982,811</u>
Defined benefit pension scheme liability	26	(2,324,000)	(1,580,000)
Total net assets		<u><u>39,675,736</u></u>	<u><u>39,402,811</u></u>

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04726427

SCHOOL BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Charity funds			
Endowment funds	19	3,576,755	3,634,484
Restricted funds	19	288,352	246,150
Unrestricted funds			
Unrestricted funds excluding pension liability	19	38,134,629	37,102,177
Pension reserve	19	(2,324,000)	(1,580,000)
Total unrestricted funds	19	35,810,629	35,522,177
Total funds		39,675,736	39,402,811

The School's net movement in funds for the year was £272,925 (2020 - £871,227).

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

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



Mr J A Gray
Chair of Governors
Date: 3 December 2021



Mr G R Yeandle
Chair of Finance Committee

The notes on pages 20 to 47 form part of these financial statements.

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash generated from operating activities	1,428,164	413,216
Cash flows from investing activities		
Dividends, interests and rents from investments	17,951	21,378
Purchase of tangible fixed assets	(319,898)	(1,337,218)
Net cash used in investing activities	(301,947)	(1,315,840)
Cash flows from financing activities		
Cash inflows from new borrowing	13,500	2,010,000
Repayments of borrowing	(753,750)	(950,472)
Net cash (used in)/provided by financing activities	(740,250)	1,059,528
Change in cash and cash equivalents in the year	385,967	156,904
Cash and cash equivalents at the beginning of the year	1,425,233	1,268,329
Cash and cash equivalents at the end of the year	1,811,200	1,425,233

The notes on pages 20 to 47 form part of these financial statements

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. General information

As set out in the trustees' report, Kimbolton School is an incorporated charity registered in England and Wales. The registered office is Kimbolton School, Kimbolton, Huntingdon, Cambs, PE28 0EA.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The charity's objects are stated in the trustees' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Kimbolton 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.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Going concern

The governors assess whether the use of the going concern basis is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

As noted in the trustees' report, the UK has continued to experience a pandemic of the coronavirus during the year. The School continued to deliver teaching and learning both in class and online, but only a small number of trips and extra curricular activities were able to take place. The governors offered a discount on fees for part of the spring term 2021, when the school was required to close to the majority of students, but the School has largely been able to continue to operate normally with additional procedures in place to minimise the risk of spreading the virus.

The long-term effects of the pandemic on the charity remain uncertain but demand for places continues to remain strong and the trustees believe they will be able to continue to operate for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

2.3 Company status

The School is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the School being wound up, the liability in respect of the guarantee is limited to £1 per Member.

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.4 Fund accounting

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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.

Endowment funds represent the property given to the charity, for the purpose of providing a school in the village of Kimbolton.

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

2.5 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.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

2.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

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

All expenditure is inclusive of irrecoverable VAT.

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.7 Interest receivable

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

2.8 Taxation

The School is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.9 Tangible fixed assets and depreciation

All individual assets costing more than £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Whole projects, where the combined cost is greater than £10,000, are also capitalised.

The School's freehold property was revalued in accordance with the transitional rules of SORP 2015 (as disclosed in note 12). Depreciation is charged to the fixed asset reserves, split between the historical cost and revaluation reserves.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value.

Depreciation is provided on the following bases:

Historic property	- Nil
Other property	- over the estimated useful economic life of the buildings
Plant and machinery	- 25% per annum reducing balance or 7% per annum straight line
Furniture, Fittings and Equipment	- 15% or 33% per annum straight line

Historic property is not depreciated as the estimated residual value of the property is so high that any depreciation charge would be immaterial to the accounts.

2.10 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2.11 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.12 Debtors

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

2.13 Cash at bank and in hand

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

2.14 Liabilities

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

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

2.15 Financial instruments

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

2.16 Operating leases

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

2.17 Pensions

The School participates in the Teachers Pension Scheme, the national defined benefits scheme for all teaching staff. This is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS 102, the School accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of Financial Activities represents contributions payable to the scheme in respect of the accounting period.

For the support staff, the School participates in both a defined benefits pension scheme (closed to new entrants) and a defined contribution pension scheme which was opened on 1 April 2010. The defined benefits scheme is part of the Local Government Pension Scheme where the assets and liabilities attributable to the School can be identified and the scheme is accounted for under the requirements of FRS 102 based on a full actuarial valuation dated 31 March 2019 (see note 26). Pension costs for the defined contribution scheme represent contributions payable to the scheme in respect of the accounting period.

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

3. Income from donations and legacies

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations				
Fees in lieu of notice and donations received	4,762	64,393	69,155	66,694
Income from associated organisations	17,461	-	17,461	90,362
Scholarship income	6,000	-	6,000	6,000
Bequest received	-	-	-	10,000
Donations received	<u>28,223</u>	<u>64,393</u>	<u>92,616</u>	<u>173,056</u>
Government grants	-	168,649	168,649	634,849
Similar incoming resources	-	24,578	24,578	39,126
	<u>28,223</u>	<u>257,620</u>	<u>285,843</u>	<u>847,031</u>
Total 2020	<u><u>128,185</u></u>	<u><u>718,846</u></u>	<u><u>847,031</u></u>	

4. Income from charitable activities

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
School tuition fees	-	16,632,835	16,632,835	15,867,665
Bursaries and scholarships	(14,109)	(812,663)	(826,772)	(770,672)
Allowances on fees	-	(807,271)	(807,271)	(715,269)
Other related income	67,468	866,195	933,663	933,827
Swimming pool	-	1,572	1,572	37,636
Covid-19 discounts	-	(522,996)	(522,996)	(1,447,186)
	<u>53,359</u>	<u>15,357,672</u>	<u>15,411,031</u>	<u>13,906,001</u>
Total 2020	<u><u>53,359</u></u>	<u><u>13,852,462</u></u>	<u><u>13,906,001</u></u>	

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
School Shop income	8,193	8,193	31,090
Kimbolton School Enterprises Limited	40,078	40,078	23,644
Total 2021	<u>48,271</u>	<u>48,271</u>	<u>54,734</u>
<i>Total 2020</i>	<u>54,734</u>	<u>54,734</u>	

6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
School Shop expenditure	(67)	(67)	26,703
Kimbolton School Enterprises Limited	22,506	22,506	27,609
Total 2021	<u>22,439</u>	<u>22,439</u>	<u>54,312</u>
<i>Total 2020</i>	<u>54,312</u>	<u>54,312</u>	

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. Investment income

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Interest receivable on cash at bank and equivalent deposits	569	17,090	17,659	19,680
Interest on fees and charges	-	292	292	1,698
	<u>569</u>	<u>17,382</u>	<u>17,951</u>	<u>21,378</u>
<i>Total 2020</i>	<u>569</u>	<u>20,809</u>	<u>21,378</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Teaching	-	350	8,818,726	8,819,076	8,783,180
Support costs	57,729	52,189	5,789,646	5,899,564	5,871,448
Other resources expended	-	-	41,188	41,188	43,711
	<u>57,729</u>	<u>52,539</u>	<u>14,649,560</u>	<u>14,759,828</u>	<u>14,698,339</u>
<i>Total 2020</i>	<u>57,729</u>	<u>143,602</u>	<u>14,497,008</u>	<u>14,698,339</u>	

9. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £28,000 (2020 - £27,000).

KIMBOLTON SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10. Staff costs

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	8,303,169	8,028,167	8,303,169	8,028,167
Social security costs	819,468	782,051	819,468	782,051
Contribution to defined contribution pension schemes	1,271,768	1,200,626	1,271,768	1,200,626
Operating costs of defined benefit pension schemes	208,000	326,000	208,000	326,000
	10,602,405	10,336,844	10,602,405	10,336,844

During the year, the School made termination payments totalling £76,490 in respect of one member of staff (2020 £29,183 paid to two members of staff).

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

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
Teaching staff	148	144	148	144
Teaching support staff	40	38	40	38
Non-teaching staff	108	113	108	113
	296	295	296	295

The average headcount expressed as full-time equivalents was:

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
Teaching staff	118	117	118	117
Teaching support staff	25	23	25	23
Non-teaching staff	80	78	80	78
	223	218	223	218

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff costs (continued)

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

	Group 2021 No.	<i>Group 2020 No.</i>
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	2	2
In the band £110,000 - £120,000	-	1
In the band £210,000 - £220,000	1	-
In the band £220,000 - £230,000	1	1

The key management personnel of the charity comprise the trustees, the Headmaster and the Bursar. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the charity was £483,640 (2020 £404,471).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, expenses totalling £NIL were reimbursed or paid directly to Trustees (2020 - £133 to 2 Trustees). Reimbursed expenses were for travel costs incurred in respect of board meetings and training events.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

12. Tangible fixed assets

Group

	Freehold property £	Long-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 September 2020	3,977,134	44,446,011	121,855	3,049,899	51,594,899
Additions	-	268,807	-	51,091	319,898
Disposals	-	-	-	(26,153)	(26,153)
At 31 August 2021	3,977,134	44,714,818	121,855	3,074,837	51,888,644
Depreciation					
At 1 September 2020	342,650	3,768,731	120,614	2,540,990	6,772,985
Charge for the year	57,729	624,676	319	185,927	868,651
On disposals	-	-	-	(26,153)	(26,153)
At 31 August 2021	400,379	4,393,407	120,933	2,700,764	7,615,483
Net book value					
At 31 August 2021	3,576,755	40,321,411	922	374,073	44,273,161
At 31 August 2020	3,634,484	40,677,280	1,241	508,909	44,821,914

The Governors of Kimbolton School commissioned a professional valuation of the charity's freehold land and buildings from Barford + Co Limited, Chartered Surveyors. A value of £39,084,797 was placed on these assets at 1 September 2014, based on their depreciated replacement cost. In accordance with the transitional rules of SORP 2015 this valuation has been adopted as the deemed cost of the property and all subsequent additions have been included at cost.

All freehold property is used for the School's operational activities and no assets are considered to meet the definition of heritage assets. The School continues to be responsible for keeping all the buildings in a fit and usable condition and repair and maintenance costs are charged to the Statement of Financial Activities as incurred. Assets are depreciated over their estimated useful economic life.

The historic cost of the School's freehold property is £25,243,573 (2020 £24,974,766). At the balance sheet date, the revaluation reserve for freehold property amounted to £20,612,420 (2020 £21,113,969) and is included as part of the general fixed asset reserve fund. The cost of fixed assets includes buildings which were let under operating lease agreements to the charity's trading subsidiary during the year. Additions to freehold property totalling £268,807 (2020 £nil) relate to assets under the course of construction at the reporting date.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

12. Tangible fixed assets (continued)

Company

	Freehold property £	Long-term leasehold property £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 September 2020	3,977,134	44,446,011	3,049,899	51,473,044
Additions	-	268,807	51,091	319,898
Disposals	-	-	(26,153)	(26,153)
At 31 August 2021	3,977,134	44,714,818	3,074,837	51,766,789
Depreciation				
At 1 September 2020	342,650	3,768,731	2,540,990	6,652,371
Charge for the year	57,729	624,676	185,927	868,332
On disposals	-	-	(26,153)	(26,153)
At 31 August 2021	400,379	4,393,407	2,700,764	7,494,550
Net book value				
At 31 August 2021	3,576,755	40,321,411	374,073	44,272,239
At 31 August 2020	3,634,484	40,677,280	508,909	44,820,673

13. Fixed asset investments

	Investments in subsidiary companies £
School	
Cost or valuation	
At 1 September 2020	4
At 31 August 2021	4

KIMBOLTON SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

13. Fixed asset investments (continued)

14. Subsidiary Undertakings

The following was a subsidiary undertaking of the School:

Name	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
Kimbolton School Enterprises Limited	02655855	Kimbolton School, Kimbolton, Cambs PE28 0EA	Management of commercial lettings	Ordinary share capital	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss)/ Surplus/ (Deficit) for the year £	Net assets £
Kimbolton School Enterprises Limited	71,102	63,198	7,904	15,935

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Stocks

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Goods for resale	<u>16,532</u>	<u>19,505</u>	<u>16,532</u>	<u>19,505</u>

16. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due within one year				
Trade debtors	25,435	5,666	24,354	4,679
Parent debtors - fees	24,930	27,369	24,930	27,369
Amounts owed by group undertakings	-	-	17,627	-
Other debtors	9,679	18,838	9,679	18,838
Parent debtors - disbursements	28,917	860	28,917	860
Prepayments and accrued income	414,137	517,200	414,137	516,013
	<u>503,098</u>	<u>569,933</u>	<u>519,644</u>	<u>567,759</u>

17. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank loans	755,775	753,750	753,750	753,750
Trade creditors	174,503	297,403	168,090	293,303
Amounts owed to group undertakings	-	-	-	4,083
Other taxation and social security	203,767	187,901	197,771	187,486
Fees in advance Scheme	861,767	917,526	861,767	917,526
Other creditors	1,069,976	1,214,753	1,069,976	1,214,753
Accruals and deferred income	430,861	317,808	417,211	311,225
	<u>3,496,649</u>	<u>3,689,141</u>	<u>3,468,565</u>	<u>3,682,126</u>

The bank loan is secured on part of the freehold property owned by Kimbolton School and Kimbolton School Foundation.

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18. Creditors: Amounts falling due after more than one year

	Group 2021 £	<i>Group</i> <i>2020</i> <i>£</i>	Company 2021 £	<i>Company</i> <i>2020</i> <i>£</i>
Bank loans	513,975	<i>1,256,250</i>	502,500	<i>1,256,250</i>
Other creditors	577,700	<i>900,356</i>	577,700	<i>900,356</i>
	1,091,675	<i>2,156,606</i>	1,080,200	<i>2,156,606</i>

Deposits made under the School's fees in advance scheme which fall due for payment after 5 years, but not repayable by instalments, amounted to £16,032 (2020 - £31,765) and are included in creditors due after one year. Tuition fees paid through the School's fees in advance scheme are deducted from the balance sheet liability at the start of each term, as those fees fall due for payment. Discounts given on the fees in advance scheme are based on the rates agreed by the Governors at the time the deposit is made and are credited to the balance sheet liability each term.

The bank loan is secured on part of the freehold property owned by Kimbolton School and Kimbolton School Foundation.

KIMBOLTON SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds						
Grants Fund	104,029	-	(11,183)	-	-	92,846
Bursary Fund	425,613	68,649	(708,656)	710,007	-	495,613
Bursary allocation	-	(708,656)	708,656	-	-	-
	<u>529,642</u>	<u>(640,007)</u>	<u>(11,183)</u>	<u>710,007</u>	<u>-</u>	<u>588,459</u>
General funds						
General Fund	(4,613,654)	16,281,127	(13,780,641)	(1,036,146)	-	(3,149,314)
Fixed Asset Reserve (HC)	20,072,220	-	(309,054)	319,898	-	20,083,064
Fixed Asset Reserve (RR)	21,113,969	-	(501,549)	-	-	20,612,420
Kimbolton School Enterprises Ltd	8,027	39,825	(25,572)	(6,349)	-	15,931
Pension reserve	(1,580,000)	-	(44,000)	-	(700,000)	(2,324,000)
	<u>35,000,562</u>	<u>16,320,952</u>	<u>(14,660,816)</u>	<u>(722,597)</u>	<u>(700,000)</u>	<u>35,238,101</u>
Total Unrestricted funds	<u>35,530,204</u>	<u>15,680,945</u>	<u>(14,671,999)</u>	<u>(12,590)</u>	<u>(700,000)</u>	<u>35,826,560</u>
Endowment funds						
Kimbolton School Foundation	<u>3,634,484</u>	<u>-</u>	<u>(57,729)</u>	<u>-</u>	<u>-</u>	<u>3,576,755</u>

KIMBOLTON SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted funds						
KSPA	44,844	16,765	(2,054)	-	-	59,555
Alma Baker	17,696	177	-	-	-	17,873
Other Activities	48,545	67,468	(39,731)	-	-	76,282
Music Fund	5,662	55	-	-	-	5,717
Greta Tomlins	16,109	160	-	-	-	16,269
OKA	56,990	696	(10,404)	12,590	-	59,872
Michael Nutkins	11,725	117	-	-	-	11,842
R Piggins Prize	1,674	20	(350)	-	-	1,344
Covid-19 hardship fund	31,823	4,762	(14,109)	-	-	22,476
379th Bomb Group	3,998	40	-	-	-	4,038
OKA Scholarship	7,084	6,000	-	-	-	13,084
Scholarship allocation	-	(14,109)	14,109	-	-	-
	<u>246,150</u>	<u>82,151</u>	<u>(52,539)</u>	<u>12,590</u>	<u>-</u>	<u>288,352</u>
Total of funds	<u><u>39,410,838</u></u>	<u><u>15,763,096</u></u>	<u><u>(14,782,267)</u></u>	<u><u>-</u></u>	<u><u>(700,000)</u></u>	<u><u>39,691,667</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds						
Designated funds						
Grants Fund	96,775	-	(13,681)	20,935	-	104,029
Bursary Fund	381,205	48,683	(685,395)	681,120	-	425,613
Bursary allocation	-	(685,395)	685,395	-	-	-
	<u>477,980</u>	<u>(636,712)</u>	<u>(13,681)</u>	<u>702,055</u>	<u>-</u>	<u>529,642</u>
General funds						
General Fund	(4,286,026)	15,259,919	(13,573,819)	(2,013,728)	-	(4,613,654)
Fixed Asset Reserve (HC)	19,104,755	-	(369,753)	1,337,218	-	20,072,220
Fixed Asset Reserve (RR)	21,604,119	-	(490,150)	-	-	21,113,969
General Funds 5	12,761	23,644	(31,917)	3,539	-	8,027
Pension reserve	(2,298,000)	-	(72,000)	-	790,000	(1,580,000)
	<u>34,137,609</u>	<u>15,283,563</u>	<u>(14,537,639)</u>	<u>(672,971)</u>	<u>790,000</u>	<u>35,000,562</u>
Total Unrestricted funds	<u>34,615,589</u>	<u>14,646,851</u>	<u>(14,551,320)</u>	<u>29,084</u>	<u>790,000</u>	<u>35,530,204</u>
Endowment funds						
Kimbolton School Foundation	<u>3,692,213</u>	<u>-</u>	<u>(57,729)</u>	<u>-</u>	<u>-</u>	<u>3,634,484</u>

KIMBOLTON SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19. Statement of funds (continued)

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Restricted funds						
KSPA	43,756	88,105	(66,082)	(20,935)	-	44,844
Alma Baker	17,521	175	-	-	-	17,696
Other Activities	65,600	62,614	(59,669)	(20,000)	-	48,545
Music Fund	5,606	56	-	-	-	5,662
Greta Tomlins	15,950	159	-	-	-	16,109
OKA	60,333	2,257	(17,451)	11,851	-	56,990
Michael Nutkins	11,832	118	(225)	-	-	11,725
R Piggins Prize	2,053	21	(400)	-	-	1,674
379th Bomb Group	3,958	40	-	-	-	3,998
Restricted Fund 14	-	31,823	-	-	-	31,823
OKA Scholarship	9,934	6,000	(8,850)	-	-	7,084
Scholarship allocation	-	(9,075)	9,075	-	-	-
	<u>236,543</u>	<u>182,293</u>	<u>(143,602)</u>	<u>(29,084)</u>	<u>-</u>	<u>246,150</u>
Total of funds	<u>38,544,345</u>	<u>14,829,144</u>	<u>(14,752,651)</u>	<u>-</u>	<u>790,000</u>	<u>39,410,838</u>

KIMBOLTON SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Designated Funds:

Grants Fund - The grants committee allocates funds transferred to the School by Kimbolton School Parents' Association and other grant making bodies. The balance represents funds received by the School which have not been allocated yet, or where the expenditure has not been undertaken.

Bursary Fund - The bursary fund was created to provide and generate additional funds for bursaries, to be awarded at the discretion of the School. Total income to the fund from interest, fees in lieu of notice and donations totalled £68,649 (2020 £48,683). Transfers into the bursary fund from the allocation of fee income amounted to £696,960 (2020 £681,120). The net increase in the bursary fund amounted to £70,000 (2020 £44,408) and has been carried forward to fund future places at the School.

General Funds:

General Fund - The deficit on the School's general fund was reduced by £1,464,240 (2020 increased by £327,628) during the year, after net transfers out totalling £1,036,146 (2020 £2,013,728). Transfers out include the purchase of fixed assets and the bursary fund allocation. Transfers in represent net income received from Kimbolton School Enterprises Limited. The Governors anticipate that the School will continue to generate annual operating surpluses to generate free reserves in the future.

Fixed Asset Reserve (HC) and Fixed Asset Reserve (RR) - The fixed asset reserve funds represent expenditure on all fixed assets on a historic cost (HC) basis and the associated revaluation reserve (RR), with the exception of those assets which are included in separate endowed funds. Expenditure represents the depreciation charge for the year and the transfer in represents assets purchased.

Kimbolton School Enterprises Ltd - The reserves, income and expenditure attributable to the School's subsidiary undertaking have been consolidated in the group accounts but included as a separate fund. The transfer represents the movement of funds between the School and its subsidiary.

LGPS Pension Reserve - As stated in note 26 the School is a participating employer in two defined benefit pension schemes. The liabilities relating to Kimbolton School can only be determined for one of these schemes. A separate reserve has been included to show the impact of the changes in the valuation of this pension scheme.

Endowment Funds:

Kimbolton School Foundation Endowment Fund - Part of the freehold property owned by Kimbolton School Foundation was given to the charity for the purpose of providing a School in Kimbolton. The balance on the endowed fund represents the cost of the original buildings and subsequent improvements.

Restricted Funds:

Kimbolton School Parents' Association (KSPA) - The KSPA is a separate but related organisation, which holds fundraising events for the School. For administration purposes the Association has used the School's charity number. The transfer represents the movement of funds between the School and the Association.

Alma Baker - The Alma Baker Scholarship was to provide a scholarship for a sixth form agricultural student but has now been extended (as agreed with the Alma Baker Trust) to other related activities, such as the annual Science week.

Other Activities - Pupils are given the opportunity to join in a variety of activities including music tuition, outdoor pursuits, the Combined Cadet Forces (CCF) of the armed forces and Sixth Form Club. These groups charge subscriptions for membership, which are used to fund their activities.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19. Statement of funds (continued)

Music Fund - The school has a balance of funds available to spend on music activities, being the balance of a donation given for the purchase of a new piano (purchased in 2018) and other equipment.

Mrs Greta Tomlins Scholarship - A donation was received from the estate of Mr Cyril Lewis on condition that the capital was maintained and the interest used to provide a music scholarship in memory of his wife, Mrs Greta Tomlins.

Old Kimboltonians Association (OKA) - The OKA is a separate but related organisation from the School which organises events for former pupils. For administration purposes the Association has used the School's charity number. The transfer represents the movement of funds between the School and the Association.

Michael Nutkins - The Michael Nutkins Fund represents donations received in memory of a former student, to provide scholarships towards extra curricular activities for sixth form students.

R Piggins Prize - The school has a balance of funds available to award annual scholarship essay prizes.

379th Bomb Group World War II Association Memorial Fund - The School received funds transferred from a separate registered charity, the 379th Bomb Group World War II Association Memorial fund, when that charity ceased. The funds are to be used to maintain the memorials in Kimbolton.

Old Kimboltonians Association Scholarship Trust Fund - The School receives an annual donation from the Scholarship Trust Fund to support two sixth form students.

Covid-19 Hardship Fund - In 2020, the School set up a fund to support students and their families suffering from financial hardship as a result of the coronavirus pandemic. The fund is administered alongside the bursary fund.

All funds are held as part of the School's bank deposit accounts and interest has been allocated to each of the restricted funds.

20. Summary of funds

Summary of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Designated funds	529,642	(640,007)	(11,183)	710,007	-	588,459
General funds	35,000,562	16,320,952	(14,660,816)	(722,597)	(700,000)	35,238,101
Endowment funds	3,634,484	-	(57,729)	-	-	3,576,755
Restricted funds	246,150	82,151	(52,539)	12,590	-	288,352
	<u>39,410,838</u>	<u>15,763,096</u>	<u>(14,782,267)</u>	<u>-</u>	<u>(700,000)</u>	<u>39,691,667</u>

KIMBOLTON SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Designated funds	477,980	(636,712)	(13,681)	702,055	-	529,642
General funds	34,137,609	15,283,563	(14,537,639)	(672,971)	790,000	35,000,562
Endowment funds	3,692,213	-	(57,729)	-	-	3,634,484
Restricted funds	236,543	182,293	(143,602)	(29,084)	-	246,150
	<u>38,544,345</u>	<u>14,829,144</u>	<u>(14,752,651)</u>	<u>-</u>	<u>790,000</u>	<u>39,410,838</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	3,576,755	-	40,696,406	44,273,161
Current assets	-	288,352	2,042,478	2,330,830
Creditors due within one year	-	-	(3,496,649)	(3,496,649)
Creditors due in more than one year	-	-	(1,091,675)	(1,091,675)
Provisions for liabilities and charges	-	-	(2,324,000)	(2,324,000)
Total	<u>3,576,755</u>	<u>288,352</u>	<u>35,826,560</u>	<u>39,691,667</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Endowment funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	3,634,484	-	41,187,430	44,821,914
Current assets	-	246,150	1,768,521	2,014,671
Creditors due within one year	-	-	(3,689,141)	(3,689,141)
Creditors due in more than one year	-	-	(2,156,606)	(2,156,606)
Provisions for liabilities and charges	-	-	(1,580,000)	(1,580,000)
Total	3,634,484	246,150	35,530,204	39,410,838

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	Group 2020 £
Net income for the year (as per Statement of Financial Activities)	980,829	76,493
Adjustments for:		
Depreciation charges	868,651	918,063
Dividends, interests and rents from investments	(17,951)	(21,378)
Decrease/(increase) in stocks	2,973	(6,198)
Decrease/(increase) in debtors	70,918	(188,061)
Decrease in creditors	(521,256)	(437,703)
Decrease in provisions	44,000	72,000
Net cash provided by operating activities	1,428,164	413,216

KIMBOLTON SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
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23. Analysis of cash and cash equivalents

	Group 2021 £	<i>Group 2020 £</i>
Cash in hand	1,811,200	1,425,233
Total cash and cash equivalents	1,811,200	<i>1,425,233</i>

24. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	1,425,233	385,967	1,811,200
Debt due within 1 year	(753,750)	(2,025)	(755,775)
Debt due after 1 year	(1,256,250)	742,275	(513,975)
	(584,767)	1,126,217	541,450

25. Capital commitments

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	57,927	-	57,927	-

26. Pension commitments

The School participates in two multi-employer defined benefit pension schemes (Teachers Pensions for teachers and Cambridgeshire County Council Pension Fund for former and long-standing members of non-teaching staff) and a single defined contribution scheme for new members of non-teaching staff.

Teaching Staff

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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26. Pension commitments (continued)

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £1,152,291 (2020 - £1,126,435).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. Kimbolton School has accounted for its contributions to the scheme as if it were a defined contribution scheme and has set out above the information available on the scheme.

Non-teaching staff

Defined Contribution Scheme

New members of non-teaching staff are eligible to join the School's defined contribution pension scheme which is administered by TPT Retirement Solutions (formerly The Pension Trust). Contributions payable under the new scheme are charged to the Statement of Financial Activities in the period to which they relate.

Defined Benefit Scheme

A full actuarial valuation of the Cambridgeshire County Council Pension Fund was conducted at 31 March 2016. In addition to the formal valuations, an actuarial review is carried out annually, at 31 March each year. The annual review provides sufficient information for the scheme's participating employers to comply with the requirements of FRS 102 and directly quantifies the potential deficiency relating to each employer.

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

The value of the pension scheme assets and liabilities attributable to Kimbolton School has been revalued at 31 March 2021, updating the different financial assumptions, as required by FRS 102. Adjustments have also been made in respect of changes in the payroll of active members, investment returns and the effects of contributions paid into, and estimated benefits paid from, the fund maintained for Kimbolton School and its employees.

The projected unit method of valuation has been used to calculate the service cost and a set of demographic assumptions, consistent with those used for the formal funding valuation as at 31 March 2021, have been adopted.

During the year, the School signed an agreement with Cambridgeshire County Council Pension Scheme, securing part of the LGPS liability on part of the freehold property owned by Kimbolton School and Kimbolton School Foundation.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 August 2021	<i>At 31 August 2020</i>
	%	%
Discount rate	2.0	2.3
Future salary increases	3.35	2.4
Future pension increases	2.85	1.9
	=====	=====
	At 31 August 2021	<i>At 31 August 2020</i>
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	22.2	22.0
- at 65 for a male aged 45 now	23.2	22.7
- for a female aged 65 now	24.4	24.0
- at 65 for a female aged 45 now	26.2	25.5
	=====	=====

The Group's share of the assets in the scheme was:

	At 31 August 2021	<i>At 31 August 2020</i>
	£	£
Equities	6,649,000	5,316,000
Corporate bonds	1,445,000	1,001,000
Property	1,349,000	1,310,000
Cash and other liquid assets	193,000	77,000
	=====	=====
Total fair value of assets	9,636,000	7,704,000
	=====	=====

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26. Pension commitments (continued)

The actual return on scheme assets was £177,000 (2020 - £191,000).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2021 £	2020 £
Current service cost	208,000	296,000
Past service cost	-	30,000
Interest income	(177,000)	(191,000)
Interest cost	214,000	247,000
Employer contributions	(201,000)	(310,000)
Total amount recognised in the Consolidated Statement of Financial Activities	44,000	72,000

Movements in the present value of the defined benefit obligation were as follows:

	2021 £
Opening defined benefit obligation	9,284,000
Current service cost	208,000
Interest cost	214,000
Contributions by scheme participants	45,000
Actuarial losses/(gains)	2,449,000
Benefits paid	(240,000)
Closing defined benefit obligation	11,960,000

Movements in the fair value of the Group's share of scheme assets were as follows:

	2021 £
Opening fair value of scheme assets	7,704,000
Expected return on assets	177,000
Actuarial gains/(losses)	1,749,000
Contributions by employer	201,000
Contributions by scheme participants	45,000
Benefits paid	(240,000)
Closing fair value of scheme assets	9,636,000

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27. Operating lease commitments

At 31 August 2021 the Group and the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Not later than 1 year	170,008	120,090	170,008	120,090
Later than 1 year and not later than 5 years	293,664	96,372	293,664	96,372
	463,672	216,462	463,672	216,462

28. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

29. Related party transactions

Trade and contacts

Mrs D Hellett sits on the Kimbolton Parish Council and is not allowed to debate or vote on issues, which involve the School. Her husband, who has a contract to cut the Council roadside hedges, cuts the roadside hedges for the School.

Mrs S Aylott, Mrs G Gray and Mr S Doyle are all spouses of Governors and have small, part time, roles such as working as an exam invigilator or as sports coaches.

Mr S Page is a Director of Titanium Fireworks, one of two companies with sufficient safety experience allowed to operate fireworks displays on the School site. During the year the company did not fire any displays.

Mrs K Lancaster is a Partner with Farrer & Co who advise the School on legal matters. Mrs Lancaster was not involved with the School's advice during the year.

The School has no other contracts or trades in which any Governor, or person connected to the Governor, benefits.

Messrs J Bridge, J Gray, J Belbin are Directors of Kimbolton School Enterprises Ltd. Mr E Valletta was Company Secretary until 13 April 2021 and is also a Trustee of the C Alma Baker Trust.

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29. Related party transactions (continued)

Governors with children at the school

During the year the following Governors had children at the School: Mrs Rice and Messrs Gray, Aylott and Suckling.

Governors do not receive an extra discount or other benefit on their fees over and above normal terms.

Trading company

The School owns 100% of the issued share capital of Kimbolton School Enterprises Limited (company number 2655855) as disclosed in note 13. Kimbolton School Enterprises Limited operates lettings of the sports centre, Castle and grounds.

In the year ended 31 August 2021 Kimbolton School Enterprises Limited paid £4,579 (2020 £6,911) for goods and services provided by the School, £20,000 (2020 £20,000) for the use of the sports centre and £13,047 (2020 £nil) by way of a charitable donation. Kimbolton School paid Kimbolton School Enterprises Limited £31,277 (2020 £36,540) for the use of the sports centre. All amounts are charged at the normal commercial rate. Payments made by Kimbolton School Enterprises Limited exclude VAT which is recoverable by the subsidiary undertaking, but payments made by the School include irrecoverable VAT. At the reporting date Kimbolton School Enterprises Limited owed the School £17,627 (2020 Kimbolton School owed Kimbolton School Enterprises Limited £4,083).