



Ardingly College Limited

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022

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Charity Registration No. 01076456
Company Registration No. 03779971 (England and Wales)

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ARDINGLY COLLEGE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022

ARDINGLY COLLEGE LIMITED

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ARDINGLY COLLEGE LIMITED

COMPANY INFORMATION

DIRECTORS AND ADVISORS

Directors

R Haynes Brown (Chair)
S Bradshaw
S L Champkin
G W Dixon
D H T Johnson-Poensgen
S Kay
L E Lindsay
J Martin
R Martin
K E C Sweeney

Secretary

S Koziarski

Charity No.

01076456

Company No.

03779971

Principal Address and Registered Office

Ardingly College
College Road
Ardingly
Haywards Heath
West Sussex
RH17 6SQ

Key Management Personnel

- | | |
|--------------------------------------|------------|
| - Head of College and Senior School | B A Figgis |
| - Head of Prep School | H Hastings |
| - Senior Deputy Head - Senior School | N Burns |

Auditor

RSM UK Audit LLP
Portland
25 High Street
Crawley
West Sussex
RH10 1BG

ARDINGLY COLLEGE LIMITED

COMPANY INFORMATION

Bankers

Lloyds Bank plc
99-101 South Road
Haywards Heath
West Sussex
RH16 4ND

Principal Solicitors

Knights plc
The Brampton
Newcastle-under-Lyme
Staffordshire
ST5 0QW

Insurance Brokers

Marsh Limited
1 Tower Place West
Tower Place
London
EC3R 5BU

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2022

The directors present their report and financial statements (including the Directors' and Strategic Reports) for the year ended 31st August 2022 and confirm they comply with the requirements of the Companies Act 2006 and the Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Report Standard applicable in the UK and Republic of Ireland (FRS 102) effective January 2019.

REFERENCE AND ADMINISTRATIVE INFORMATION

The charity was formed in 1858 and is registered with the Charity Commission as charity number 01076456. The charity is a limited liability company and wholly owned subsidiary of The Woodard Corporation (charity number 01096270). The charitable company is incorporated in the United Kingdom. Directors of the Company are also Fellows (members) of the Woodard Corporation and participate in the election of its board of management and are committed to its charitable objects.

Note 31 provides details of connected charities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Company is governed by Articles of Association as adopted by Special Resolution dated 20th March 2013, replacing those dated 6 July 2005 amended by Special Resolution dated 25 January 2006. They permit funds to be managed in such a manner as the directors see fit, provided that such powers are only exercised for the purposes of attaining the objects and in a manner which is legally charitable. The Articles of Association forbid the distribution of any property or funds, which are to be applied solely towards the promotion of the objects of the company.

Governing Body

The Governors are the directors and charitable trustees of the company and comprise the governing body of Ardingly College and are elected to hold office for terms of five years. The College is governed by the governing body which operates using a number of committees. Membership of each committee is outlined on page 21. The governing body met three times during the year.

Recruitment and Training of Governors

All Governors are Corporate Fellows of the Woodard Corporation. Corporate Fellows are responsible for electing the Woodard Corporation Board. Governors are recruited on the basis of nominations from school contacts and from selection when a post becomes available. The governing body look to ensure a mix of skills and select new governors on the basis of background, competence, specialist skills and, in the case of Fellows, Christian commitment. Governors are provided with induction training by the Head and Clerk to the Governors and a wider programme of training events is organised by the Woodard Corporation. The school also encourages governors to attend events run by the Association of Governing Bodies of Independent Schools (AGBIS).

Where possible the Governors consider that the skills and experience of the Council should comprise the following: accountancy, financial management, risk management, investments, marketing, PR/advertising, HR/training, IT strategy, education, charity governance, insurance, fundraising, planning, construction, health & safety, legal and safeguarding.

A Governor may have one or more of these skills.

Volunteers

Governors are volunteers providing their time for free to support the governance of the school. The school also relies on a number of others to undertake volunteer roles including School Friends Association members; Work Experience; Classroom support and Solar Car assistance.

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DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2022

Organisational Management

The College is governed by the governing body (Council) which delegates work to a number of committees. The Governors, who are also the directors, determine the general policy of the company.

Education Committee – the role of the Education Committee is to monitor the provision and development of all aspects of education in the College including admissions. The Education Committee will be involved in devising, recommending, approving and reviewing policies but it is not part of the management and therefore not responsible for the implementation of policy and other aspects of the day-to-day administration of the College. Comprising Governors, the Head and other members of staff, the Education Committee serves as an interface between the staff and Council to which it is responsible. The items to be discussed are agreed between the Chair of the Committee and the Head following consultation with other members of the Committee. Its brief is to monitor the College's academic performance, guide the Senior Management Team, be aware of national changes in education and monitor the College's extra-curricular provision, admissions model and compliance with ISI. The Committee met three times during the year.

Finance & General Purposes Committee – the Committee meets regularly once a term, approximately two weeks in advance of the main Council meeting, and additionally in September, then as required. The main aim of this Committee, whose members are drawn from the Council and have experience of financial matters, is to review the financial aspects of the College's business in detail and to make recommendations to Council for formal endorsement. The Finance & General Purposes Committee makes recommendations to Council on budget, borrowing, salaries and capital projects. The Committee met five times during the year.

Estates Committee – the Estates Committee acts on the authority of the Council in a monitoring and advisory role. Its findings and recommendations being reported to the Council for ratification or further discussion, specifically in relation to capital projects, maintenance, Health and Safety and IT. The Committee met three times during the year.

Nominations & Governance Committee – The Nominations & Governance Committee has been established as a sub-committee of the Council to take responsibility for ensuring the members of College Council have the skill- set and experience required to ensure appropriate governance of all College activities. It also makes recommendations to the Board for any changes to the governance approach (for example, new committees) to ensure Council operates in line with best practice. The Governance & Nominations Committee meets as required but at least annually.

In addition to the Committee structure, individual Governors are allocated key areas of responsibility: Safeguarding/Early Years, Health & Safety, Compliance, Boarding, ICT and Development.

The key personnel are defined as those who attend full Council meetings: the Head of the College and Senior School, the Head of Prep and the Senior Deputy Head of the Senior School. The day-to-day management of the company is delegated to the Head of the College and the key management personnel, overseeing educational, pastoral and administrative functions in consultation with the senior staff. The day-to-day administration is undertaken within the policies and procedures approved by the Governors which provide for only significant expenditure decisions and major capital projects are to be referred to the Governors for prior approval.

The Head oversees the recruitment of all educational staff, whilst under delegated authority the Director of People oversees the recruitment of administrative and non-teaching operations staff.

The remuneration of key management personnel (noted on page 1) is set by Council, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the College's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the College remains aware of the broader issues of pay and employment conditions elsewhere.

The College aims to recruit the best staff and is also keen to target newly qualified graduates and trainees to support through their career development. Delivery of the College's charitable vision and

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DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2022

purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

Group Structure and Relationships

The College has two wholly owned non-charitable subsidiaries: Ardingly Projects Limited and Ardingly College International Limited. The activities and trading of the subsidiaries are described below. Note 31 provides details of connected charities.

The principal activity of Ardingly Projects Limited is letting College premises and facilities, and retailing.

The principal activity of Ardingly College International Limited is providing educational consultancy services to foreign clients and developing English-speaking schools outside of the UK.

The College has developed links with a wide range of organisations to ensure the widest possible access to our facilities and education. Through membership of HMC, IAPS, AGBIS and ISBA and through networking with peer groups we ensure that we are able to attain the highest standards of quality and performance. We encourage our pupils to develop an awareness of the social context of the all-round education they receive at the College, and they are engaged in a number of activities to enhance their understanding.

We aim for the College's relationship with its alumni (Old Ardinians) to be a strong and positive lifelong partnership. We achieve this through a dedicated communications programme, a wide range of events, and positive opportunities to get involved with the life of the College today and inspire the next generation of Old Ardinians. An Agreement of Co-operation has been signed between the College and the Old Ardinians Society, which provides the framework for partnership and delineates the responsibilities of the College and the Society to each other for the benefit of the alumni community.

CHARITABLE OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The charity's objects, as set out in the Articles of Association, are to promote and extend education (including spiritual, moral, social, cultural and physical education) in accordance with the doctrines and principles of the Church of England.

The Woodard Corporation (Woodard Schools) is an educational charity founded on the vision of Canon Nathaniel Woodard in the mid-nineteenth century as a direct consequence of the founder's concern to transform his contemporary society through the provision of quality Christian education to the emerging middle classes.

The Woodard Corporation and its schools share a mission to educate young people to become active and responsible citizens who make a positive contribution to society and who are encouraged to participate, care for others and show leadership wherever that is possible.

Aims

Our aim is to provide an excellent 21st century education for children from Nursery to age 18 by being a forward-thinking and high-achieving co-educational school with a strong academic focus, excellent student support and a global outlook.

Intended impact

An Ardingly College education is intended to prepare every student to develop the skills they need to become successful citizens in a global world. This is delivered both in the curriculum and off curriculum with a focused World Ready week held annually in June. The diversity of the student body also celebrates this ethos with over 25 different nationalities enjoying an Ardingly education. The World Ready message is also communicated in the College's advertising and marketing materials.

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DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2022

Equal Opportunities/Employment Policy

The College is committed to the principle of equal opportunities in employment and in equal pay for work of the same or similar nature or work of equal value. The College declares its opposition to discrimination or any form of less favourable treatment or financial reward, whether through direct or indirect discrimination, harassment, victimisation or segregation accorded to employees or job applicants, on the grounds of the following Protected Characteristics: age, sex, marriage and civil partnerships, gender reassignment, race, religious beliefs or political opinions, ethnic origin, nationality, marital/parental status, sexual orientation, disability, pregnancy, maternity, part-time or fixed-term employment.

In response to the Everyone's Invited campaign, the College Executive was determined to take a proactive approach and openly engage with the issues the campaign had highlighted. Current pupils, parents and alumni were invited to share their experiences, which were then discussed by Senior Management before seeking a consensus from staff and pupils on the next steps. The College worked with external organisations and speakers who gave talks and led pupil workshops on relevant themes and the College will continue to engage with these moving forwards, inviting them to work with smaller in-house groups. The College has also appointed an Equality, Diversity and Inclusion Lead and Assistant Lead, whose task is to bring together the excellent work already being done in the College's LGBTQIA+ Society, the New Era (formerly Feminist) Society and the recently reformed and student-led Anti-Racism Society. An ethos and culture document has been drafted to articulate the College's approach to diversity and inclusion, echoing the determination to ensure that Ardingly is as welcoming and tolerant an environment as we can make it for staff and pupils alike.

Investment Policy and Objectives

The company's memorandum and articles of association permit funds to be invested in such manner as the directors see fit, providing that advice has been obtained from a financial expert and providing that such powers of investment consider the suitability of investments and the need for diversification.

STRATEGIC REPORT

The strategic report covers educational objectives, pupil numbers, public benefit (school partnerships, means-tested bursaries and community access), risk management and mitigations.

Primary objectives

- Be an educational community living out Christian values of kindness, empathy, and social inclusion.
- Promote the welfare and wellbeing of every pupil through dedicated pastoral support and a varied programme of sporting, cultural, creative and service activities.
- Provide consistently excellent and exciting teaching and learning so that every pupil acquires academic knowledge, develops skills and grows in intellectual curiosity and fulfilment.
- Support every pupil to achieve their full potential in examined qualifications.
- Offer varied and stimulating experiences that help to prepare pupils for the next stage of their education and the world beyond.
- Develop our staff to enhance the quality of their work and professional fulfilment.
- Develop our facilities to support first class education.
- Work with partner schools and engaged stakeholders to promote educational values and opportunity.

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Current and recent strategies to achieve objectives

- Review of support for pupil wellbeing needs, appointment of a full-time Mental Health Lead, provision of more tutor time, implementation of CPOMs and early-stage identification of pastoral concerns, and revision of PSHE programme.
- Further development of Equality, Diversity and Inclusion through appointment of EDI leads, pupil ambassadors, and growth of pupil interest-group societies such as New Era, Anti-Racism and LGBTQIA+.
- Completion of Microsoft Surface devices roll-out for Years 7-13 plus shared use in other year groups. Teacher and staff training programme completed in use of Teams and One Note.
- Growth of bursary programme and appointment of a Partnerships & Bursaries coordinator.
- Phased College restructure designed to optimise educational environments for all age groups. New model of two schools from September 2022: Prep School from Nursery – Year 6 and Senior School from Year 7-13. Site relocation of KS2 to be completed subject to affordability.
- Opening of a new Lower School Day House for Years 7 & 8 boys and girls as part of the College restructure.
- Opening of a new Day Boys' House (Pearson) in 2022 to reduce size of day boys' houses; follows addition of a new Day Girls' House (Burgess) in 2020.
- Completion of facility upgrades: STEM centre (2019), new day girls house (2020), Dance studio (2021), Café and pedestrianisation of the West Quad (2021) and a new car park (2021).

Pupil numbers

	2021/2022		2020/2021	
Senior School	659	(303 boarders)	631	(309 boarders)
Preparatory School	306	(19 boarders)	316	(32 boarders)
Pre-Preparatory School	81		83	
Total	<u>1,046</u>		<u>1,030</u>	

	2021/2022		2020/2021	
	Boys	Girls	Boys	Girls
Senior School	371	288	362	269
Preparatory School	154	152	155	161
Pre-Preparatory School	47	34	45	38
Total	<u>572</u>	<u>474</u>	<u>562</u>	<u>468</u>

Pupil numbers are presented excluding Pre-Nursery and Nursery pupils.

Public Benefit

Our over-arching public benefit aim is to contribute to the promotion of education for pupils enrolled in the College and for those attending schools with whom we have established educational partnerships.

For pupils at the College, we aim to provide opportunities through which they can play a part in their local communities and gain satisfaction from these contributions.

In the furtherance of these aims the Directors, as the Charity trustees, have complied with the duty in

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s.17 of 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.

Woodard and its schools provide a significant benefit to the public. The College strives to ensure that measures of public benefit are appropriate, and that significant sections of the public are not excluded from the opportunity to benefit from the education and facilities offered due to the need to pay a fee. In addition to significant provision of bursaries and other forms of financial support, the College provides a wide range of opportunities for community benefit and facilities and events are often open to all.

The College welcomes pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our school will be able to educate and develop a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes.

Ardingly-Ifield STEM partnership

Since 2017 the College has resourced an independent-state school partnership with Ifield Community College focussed on STEM. The first project was a collaboration of teachers and students between the two schools to design and build a solar-powered car to participate in the Bridgestone Solar Car Challenge in Australia. This ambition was achieved in 2019 with the completion of the race by a joint Ardingly-Ifield team.

In recognition of this project, the partnership was awarded the TES STEM project of the year award in 2020. The project has also been formally recognised by the Institute of Motoring.

The solar project is fully-funded by the College, including the employment of a graduate engineer to teach students software programmes and support them in their planning and execution of a complex design-and-build project.

In 2021 to highlight the Conference of the Parties (COP 26) in Glasgow, the team took the solar car on a UK tour, which required road registering the car with the support of four MPs and the Secretary of State for Transport. The car then undertook a UK tour from Inverness to Haywards Heath, involving 20 students from Ifield Community College and Ardingly. Stopovers included Inverness Castle, St Andrews, Glasgow (SEC), Holyrood, Edinburgh, York, talks at the Leicester Space Centre, Diddy Squat (Jeremy Clarkson), The HQ of the Institute of Motoring, Central London and then back to Ardingly College: a mammoth trip that raised money for the IMI charity, Ben. We were then invited to present the car to the Princess Royal, HRH Princess Anne. The team played a key role in organising and competing in the inaugural London to Brighton EV rally before going to trials at Dunsfold with Cambridge and Durham Universities.

The next phase of the partnerships has two aims: to design and build a flat-pack solar car and to take STEM projects into primary schools in a refitted double-decker bus. The flat-pack will be an off-road SUV for the developing world with the potential to provide off-grid power. The team hopes this may have commercial applications. We are presently talking to our sponsored schools in Kenya to organise trials in 2024.

The sponsorship team of the project have managed to acquire sponsorship for the purchase and fitting-out of a STEM bus. The bus will be located at Ifield Community College and will provide a facility where extracurricular solar activities can occur. This mobile facility means that we can present STEM projects at primary schools and events. Hopefully we can make a small difference to the drastic shortage the UK faces in STEM-trained workers. The Ardingly science technicians are very proactive and have already compiled a long list of impressive experiments which we hope to demonstrate.

Bursaries

To supplement the financial assistance provided to a significant number of present pupils through the College's bursarial scheme, the College Endowment Fund was established in 2019. The Fund's objective is to build an endowment that will in future be used to provide bursarial support to talented pupils whose family circumstances would otherwise prevent them from attending the College. The endowment is funded by legacies from alumni and donations from parents and supporters of the

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College. The College is extremely grateful to all those who contribute to supporting bursary pupils to access and enjoy the educational opportunities of the College. Bursaries are also funded by revenue earned by the College's subsidiary companies.

The College is mindful that it must ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards. As such, the College has a duty to make sure that bursaries are awarded to families with demonstrable need. In assessing means, the College uses Bursary Administration Services to provide third-party assessment of bursary applicants' financial means.

Bursaries range from 5% to 90% remission of fees. We also have a hardship fund that supplements bursary awards to pay for co-curricular activities, equipment and school trips. Information about fee assistance through bursaries is provided to all applying to the College. Further details regarding bursaries is available on our website.

This year the value of means tested bursaries totalled £533,432 and represented 2% of our gross fees. They aided 42 of our pupils, 22 of which benefited from transformational means-tested bursaries of 50% plus. Of these, 16 students benefited from a bursary of between 50% - 75% remission of fees and a further six students of between 75-100%. The value of bridging bursaries included in the above was £41,217, aiding eight pupils.

Scholarships

The purpose of our scholarship awards is to recognise high academic potential or the ability to excel in our co-curricular activities. Our scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to our co-curricular activities. In addition, awards may be subject to conditions imposed by the original donor.

The College awarded scholarships to 265 pupils, based on their educational merit and potential, totalling £904,249 and representing 3.5% of our gross fees. Of this number, 35 also qualified for means-tested bursary support and are included in the figures relating to bursary awards.

The progress of pupils receiving scholarships is reviewed at least annually to ensure their progress is in line with their abilities. No scholarships were withdrawn in the year as a result of reviews.

Community outreach and engagement

The College engages in a variety of community outreach and voluntary action programmes throughout the year. The following provide a sample:

- Bridging Ages Café: offers company, technological support, games, coffee and connections between the generations.
- Music and Memory project: students play and record music to stimulate memories for nursing-home residents.
- Kangaroos Disability Project: reading and sensory play to make a difference for children with significant learning needs.
- The College operates a Sports Stars programme by which local primary school children come to play sports at the College each week, coached by senior students who are studying for a sports in action qualification.
- Organised and hosted a Girls' Football masterclass for 250 primary school children.
- Local scout groups and St Peters Primary School use the swimming pool at discounted rates.
- The Ardingly Choral Society rehearse in the Music School once a week.

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Teacher training

The College plays a role in supporting the qualification and training of teachers, which underpins the provision of education. During the year, the following formal qualifications were completed:

- One teacher completed Early Career Teacher qualification.
- Two teachers gained Graduate Teacher status.
- Two teachers completed PGCEs.
- Three teachers completed Masters qualifications.
- Two teachers completed Chartered Teacher qualifications.
- One teacher completed a PhD.

PRINCIPAL RISKS AND UNCERTAINTIES

The board of governors is supported by the College Executive in reviewing risks faced by the College. Separate committees consider compliance and health and safety. Risks (including other regulatory and operational) are identified and assessed by means of a Risk Register and controls monitored and updated throughout the year.

The key controls used by the charity include:

- Articles for the Board and detailed terms of reference for all Board committees
- Formal agendas for all committee and Board meetings
- Comprehensive budgeting and management accounting
- Review and approval at College Executive and governor level of key policies
- Safeguarding and vetting procedures as required by law for the protection of the vulnerable
- Regular consideration of the risk register.

The principal risks and uncertainties for the College and the mitigation strategies in place include the following:

Pupil demand

Demand is monitored at each entry level and admissions stage to enable trend analysis which can act as an early warning indicator of a possible drop in demand and marketing efforts are then focused on any year groups which look as if they may need incremental pupils. Parent surveys were conducted in 2022 to understand parental satisfaction and areas for continuous improvement.

Reduction in revenue from College subsidiary companies

Trading conditions during the year for the two College subsidiary companies were challenging due to the continued disruption in international travel and restrictions relating to Covid and the war in Ukraine. Risk factors were reviewed regularly, and strategies put in place to replace lost income.

Regulatory non-compliance

The College Compliance Committee comprised of governors and management staff meets termly according to a prescribed agenda to monitor all aspects of regulatory compliance. Key policies are reviewed annually by the College Executive and governors are notified of significant changes. Safeguarding and Child Protection, Health & Safety and Anti-Bullying policies are reviewed and signed off by Council.

Health and Safety and Data controls

Health & Safety and Data Protection are managed by full-time professionals to ensure anticipation of risk and implementation of mitigations. Following an on-site accident in August 2021 the College conducted a review of traffic management and was found to provide safe environment by the Health & Safety Executive.

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Board and committee composition

The board regularly reviews the skills matrix to identify potential experience or skill gaps. Conflicts of interest are declared and monitored and required checks are made on prospective governors prior to appointment. The Nominations & Governance Committee is tasked with overseeing the composition and process by which governors are introduced, vetted and approved.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

The review of activities, achievements and performance outlines aspects such as the academic curriculum and results, extra-curricular opportunities, university admissions, careers preparation, diversity and inclusion, sport and the creative and performing arts, and engagement with the wider community and schools partnerships.

Covid context

Schools were able to operate throughout the academic year 2021-22 without enforced closure as had happened twice over the previous two years. This enabled normal school activity to resume in most areas, although in many, progress was tentative at least until the lifting of the mandatory period of isolation in January 2022. Until then, absence rates for staff and pupil through mandatory isolation were significantly higher than in a normal year, and staff resources were considerably stretched.

Extra-curricular academic activity

In addition to studying the formal academic curriculum, Ardingly students engaged throughout the year in a range of academic-related enrichment activity, both at school and beyond the school gates.

The following is a sample of the many such activities and trips undertaken during the year.

- o MedSoc featured talks by NHS professionals, a biomedical scientist and a microbiologist as well as BMAT and UCAT courses and resources to prepare students for application to medical school.
- o Biology students extended their practice of biological science during National Biology Week, including lectures on diverse topics such as Spinal Muscular Atrophy and the British Antarctic Survey, laboratory dissections and a wildlife photography competition.
- o OA Peace & Conflict panel: an invigorating discussion on the successes and failures of the UN's role as an international peace-keeping organisation since WWII; chaired by 2017 OA Phoebe Tuckett, with a panel of distinguished alumni working in the field of international relations and humanitarian aid.
- o Theatre trips were made to see productions of Wuthering Heights, Animal Farm and Julius Caesar.
- o Computer Science students competed in the international BEBRAS competition. Students from over 40 countries were involved and were tasked with solving different problems using computational thinking. 27 Ardingly students had scores which put them in the top 10% in the country and were invited to the next stage of the competition – the Oxford University Computing Challenge (OUCC).
- o Science students engaged in a study of the future of Meat, with 18 Sixth Form students visiting the LEAP (Livestock, Environment and People) project at Oxford University for lectures and seminars.
- o A-Level Psychology students spent a day with Dr Guy Sutton discussing aspects of the human brain's structures and functioning, including in space. Dr Sutton's talk focussed on schizophrenia, the violent mind and auditory hallucinations.
- o The Law Society visited the Supreme Court and the Old Bailey, read a copy of the Magna Carta and visited a trial in progress.

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- The Book Club covered, discussed, agreed and disagreed on books by contemporary writers Donna Tartt, Pat Barker and Robert Harris.
- Classics students considered the re-appraisal of a notorious Roman emperor in visiting *Nero-the man behind the mask* at the British Museum.

Academic Results

Public examination results in 2021 were based on Teacher Assessed Grades as a result of the pandemic. The 2022 exam season returned to examined assessment, and Ardingly students once again achieved outstanding outcomes. More than ever, the 2022 exams were a test of the quality of teaching and professional support for students preparing for public examinations, and the resolve of students, teachers and parents working together to put each exam candidate in the best place to sit their papers.

GCSE highlights:

- 79% of entries were graded 9-7 (the equivalent of A* or A grade).
- 34 scored a full set of 9s and 8s (A* equivalent) and 12 achieved all 9s.
- 100% of the GCSE cohort qualified for continuation into the Sixth Form.

A-Level and IB Diploma highlights:

- Over a third of entries (37%) achieved the top grade of A* or the IB equivalent 7 (23% in 2019).
- Over 2/3rds (71%) achieved either an A*/A or 7/6 (64% in 2019).
- Upper Sixth cohort of 133 students between them achieved 377 of the top two grades A*/A or 7/6.
- IB Diploma average of 40.1 points, with three candidates gaining the perfect score of 45.

BTEC highlights:

- 18 Level 3 entries in Psychology, Business and Sport.
- 8 starred-distinctions and 6 distinctions.

University admission

Ardingly College leavers in 2022 took up offers at some of the top universities in the UK and abroad, in an increasingly competitive global market for university entrance. Among the most popular university destinations were Newcastle (10), Bath (6), Oxford, King's College London, York, Exeter (5), Durham, UCL and Leeds (4).

The 2022 leavers continued their studies in a wide range of courses from Aerospace Engineering to Stage Management. From over sixty courses, the most popular related to Business and Economics, Science and Engineering, PPE, English, Geography and History. Three students took up places at medical school and eight took up offers at Oxbridge colleges.

Careers

Careers advice and guidance forms a vital part of pupils' education. All pupils complete an online careers questionnaire called Probe which introduces them to various careers and increases their awareness of subjects that lead to specific careers. Life skills workshops are run throughout the year to support pupils in building and developing life skills – these include networking skills, presentation skills, CV writing, interview preparation (Multiple Mini Interviews and 1:1 interviews) and work experience sessions.

Students have been particularly proactive in their work experience exploration this year and although some of the experiences have been virtual, approximately 150 students have participated in work experience placements.

The College hosted an inspiring *Charting the Future* event, in collaboration with our Alumni and OA Department. The topic was *How Geography empowers us to meet today's challenges and build a better tomorrow*. The panel included three of our dynamic OAs - an environmental consultant, a MD of an international energy exploration and advisory company and a senior analyst for the Cabinet Office.

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We hosted NCS (National Citizen Service) throughout the year. They have been delivering programmes mainly during the summer holidays to young people since 2009. NCS enables young people to meet new people, learn new skills and connect with their communities.

This year we decided to combine a Lower Sixth outing and further education fair and took the whole year group to the UK University and Apprenticeship Fair at Tottenham Hotspur Stadium. This allowed our students to explore different further education options and talk to various universities and employers, offering several next step options.

The annual Take-A-Risk competition featured 43 students generating new business ideas such as a massaging backpack, a protein café aimed at gym users and a verification software product to prevent bots mass purchasing online markets. The winning entry was an innovative technological device to enable drivers and car manufacturers to make more environmentally friendly choices by providing information about vehicle taxes, depreciation and fuel costs.

Debating and MUN

In House debating, 84 pupils competed across 25 debates on topics such as vaccines, injury in contact sports and women's empowerment. The motion for the House debating final was: *This House believes changing attitudes to LGBTQIA+ people is best achieved through legislation.*

Ardingly's school debate team progressed to the second round of the ESU Schools Mace competition, debating on the motion *This House would make fines for civil and criminal offences proportionate to the wealth of the offender.*

An Ardingly team represented the UK, Iran and Senegal at the MUN conference hosted at the London Oratory, on the topics of Taiwan, human trafficking and policing the police.

LGBTQIA+ and International Womens' weeks

As part of its commitment to educate children to think and act in ways that are consciously inclusive and welcoming of diversity, the College focussed students' attention on LGBTQIA+ and feminist issues for a week each during the year.

Senior School students used LGBTQIA+ week and International Women's Day to explore issues of gender, equality, inclusion and diversity. LGBTQIA+ week featured among others a discussion group with Young Adult author Simon James Green, a student talk on Asexuality and Aromanticism and BBC journalist Tim Burke giving a visiting lecture.

Organised by the student-led New Era Society, International Women's Day was marked by four days of events, themed around 'How to Build A Safer Society for Women and for All', and including a panel discussion featuring women in prominent roles in public life. Other highlights of the week included visual representation of the topics we discussed: our Vigil Tree in the centre of the College, creating a space to honour the faces and names of the women and girls killed by men since 2021; a Stations of the Cross, exploring female suffering through powerful photographs by Anna Ensink; and mirrors around the college, asking 'Who do I see?' of those passing. Workshops throughout the week led by inspiring women such as adventurer Holly Budge and a panel on Women in Work with successful and passionate OAs, all facilitated thought-provoking discussion, and a workshop on 'Finding your Voice and Using It' for female students.

Charitable activity

Charity fund-raising forms an important dimension of College life and education, demonstrating a collective determination to contribute to good causes in support of those less fortunate than ourselves. In addition to fund-raising, the charity teams collaborated with the food charity *Fareshare* to support food collections from the College community going to local residents.

The charity prefects led Movember, organised a whole College colour run, a ribbon-selling and weight-lifting event for Ukraine and house events such as cake sales and a Wild West night that raised £5,000 on its own.

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The Catering department continued its support of Crawley Open House through sending them pre-packaged items such as sandwiches and muffins, raised £500 for Haywards Heath Foodbank from no-dessert lunch and initiated a new venture with Jubilee Bakes to source cakes made by autistic and downs syndrome children to sell in the College café.

The Creative and Performing Arts

The year saw the opening of the Dance Studio and the incorporation of dance into the enrichment programme of activities. The inaugural Dance Showcase was a spectacular containing a variety of dance styles and a range of ages, all appreciated by a delighted audience.

Musicals were to the fore in drama productions, with the senior students presenting an excellent *Little Shop of Horrors* and the Year 9 and 10s having fun with *The Addams Family*.

The musical programme for the year was as busy and strong as ever, packed with recitals and concerts of all kinds and for all ages. Among the highlights was a stirring performance of Rutter's Gloria in the Chapel (delayed from 2020 due to the pandemic) and Faure's Requiem performed at St John's Smith Square. The choir and Schola Cantorum had the unique experiences of singing at Westminster Abbey as well as on tour to Bath and Bristol.

Sport

Sport is an integral part of the curriculum, with all pupils playing at least twice a week. The College offers a wide range of sporting options in addition to those itemised below, including basketball, badminton, cricket, fencing, netball, sailing, tennis and athletics. In these sports and more Ardingly pupils find the enjoyment of participation and teamwork, and the experience of competing both within the school (inter-house) and representing the school.

Football:

The football programme offers a competitive level of school-age football for both boys and girls. During the Michaelmas term an average of 12 boys' teams represent the school in competitive fixtures. The 1st team competed in the HUDL league of the top independent school football teams in the country, finishing seventh. The Girls' football teams achieved significant success at all age groups, winning the ISFA Under 18 South East League, Under 16s the Sussex Schools County Cup, the Under 15s South East League and the Under 15s National 7-a-side tournament.

Hockey:

Girls' and Boys' Hockey teams also found success, with the girls winning the county tournament at Under 15 and Under 14 levels and the Under 14 boys also becoming county champions. Two girls were invited to the England Hockey Performance Centre and two boys represented England at Under 18 and Under 17 respectively.

Swimming:

The swim squad had its most successful year ever, becoming Sussex League champions and with six relay teams qualifying for the ESSA Championship finals. The College team also won the prestigious Tonbridge Trophy and won the Bath Cup and the TL Stand trophy at the Bath & Otter Cup in the London Aquatic Centre.

Rowing:

Rowing is a relatively new sport at Ardingly and continues to grow. This year, College teams competed at the Ball Cup at Eton Dorney and the National Schools Regatta in singles, doubles and quads, providing opportunity and coaching for enthusiastic young rowers to learn and compete in the sport.

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Ardingly College Prep School

The key purpose of this year has been looking ahead to the new year following the Restructure whilst also endeavouring to deliver a first-class education as a Prep School up to Year 8 prior to the Restructure. Since September 2021, the Prep SLT and teaching staff have worked collaboratively to create a *School Development Plan: Towards 2025*, by discussing the key strategic points that will allow us to become one Prep School, located in two different sites, at Ardingly College from September 2022.

The mission of Ardingly Prep School is to provide an outstanding foundation and primary-age education with a strong academic focus, through a broad, ambitious and inspiring curriculum, and an enjoyment of learning together.

This is supported by six overall aims:

1. To be One School despite being in two locations

Until the physical completion of the restructure, the Prep School will be endeavouring to operate as *One School, in Two Locations*. This ambitious aim will require us to be aware of the needs of each other, across both sites. We will need to work together collaboratively, honestly and openly, sharing issues and concerns, whilst accepting the limitations and reality of being two. We aim to embrace the concepts of: one uniform timetable, team teaching, teaching across Key Stages, peer observation, a presence in both schools, and whole school events and processes such as assemblies, clubs, duties and cover as one.

2. To create a balanced and purposeful curriculum, from Reception to Year 6

The Prep School curriculum and timetable has been reviewed and revised across all subjects, including the Arts and Sport. The renewed EYFS statutory framework that came into force in September 2021 placed a focus on child-led learning and development and a less restrictive curriculum, enabling practitioners to adapt teaching to the children's individual needs and interests.

3. To embed Creativity and Discovery in the Curriculum

The Head of Enrichment and Activities has reviewed the extra-curricular programme to embed creativity and discovery across the Key Stages, implementing a new Able, Gifted and Talented (AG+T) programme, a revitalised Trips and Visits programme, a fresh approach to the Learning Spaces, a whole-school approach to Reading, as well as a revitalised Clubs offering, allowing learning, development, experiences and progress to happen both in, and out of the classroom. We have already adapted our Nursery Curriculum to focus on Curiosity and will build on these foundations through Reception and ensure a smooth transition to Key Stage 1 and later on to Key Stage 2.

4. To create a Support for All approach to education

The Head of Pastoral Care and Wellbeing and the Assistant Director of Learning Support are embedding individualised learning, and pastoral care, and support, putting the needs of individual pupils, their wellbeing, self-esteem and self-confidence at the heart of all we do. The 2021 EYFS framework places an emphasis on Personal, Social and Emotional Development to enable children to learn and develop best.

5. To deliver an outstanding Values, Characteristics and Human skills programme

The Discovering/Shaping My World programme has been updated to prepare children for the present and the future, allowing them to learn and develop values, characteristics and human skills to benefit and help them in school and beyond, as they advance through the key stages. This is very much part of our Mission Statement based on the quote by A.J. Juliani: "*Our task is not to prepare our pupils for something; our task is to help them learn to prepare themselves for anything.*"

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6. To become the most Generous community inside and out of our school

All staff have been part of the review of our ethos, to endeavour to embed a culture of generosity, built on outstanding manners and behaviour, as part of the everyday tenet, both in and out of school, allowing pupils to understand the importance of collaborating, and valuing everyone and everything, as we become the most generous community, stronger for how we work together, whilst developing even closer relationships with our parents.

The six aims are the key drivers behind the *SDP: Towards 2025* and we are all working hard to allow this live document to be our guidebook and reference point enabling us, based on our clear vision, to become one school in two sites from September 2022. The *SDP: Towards 2025* has a clear timeline and review dates for us to reference against creating accountability.

We said a final goodbye to that style of school in our final Prep School Prize Giving and Final Assembly in late June where we celebrated many of the successes of the year that included:

- Record successes in the UKMC maths competition with many children qualifying for the Olympiad and Kangaroo rounds
- Progress and excellence in the classroom with much progress in evidence from our PTE, PTM and CATs
- Drama success with a film version of *Lord of the Flies*, numerous form plays, and *Beauty and the Beast for the Year 5/6 club* as well as record successes in LAMDA exams
- A productive Shaping My World week
- Musical triumphs with the Whole College Concert, record successes in Music exams
- An outstanding Dance Show and Dance Festival
- Numerous sporting successes with highlights being our U13 Girls' becoming IAPS Netball Runners'-up, a bronze medal at the IAPS National Swimming Champions, two Gold medals at the IAPS Judo Championships and three medals at the National Athletics Championships. Our U13 girls qualified for the ISFA Football Nationals having won the Regionals.

Funds held as custodian trustee on behalf of others

Ardingly College does not hold funds or act as custodian trustee on behalf of others.

FINANCIAL REVIEW

Results for the Year

After two disrupted years, it has been very encouraging to return to a more normal way of operating, with the full year back on the College campus and no requirement to discount fees. The income for the year amounted to £26.4m, of which the operating surplus on all College activities (including the subsidiary businesses and before investment gains / losses) increased to £869,644, from last year's surplus of £194,348. Gross fee income for the year increased by 12.7% from last year, reflecting the additional 16 pupils enrolled throughout the College. The year-on-year increase in gross fees reduces to 7% adjusting for the £1.25m fee discount offered last year in respect of the campus closure.

Our trading company, Ardingly Projects Limited, welcomed back its international clients to the campus during the summer holidays, but with reduced numbers due to continued nervousness over international travel. Despite a successful run of the in-house holiday clubs, Ardingly Active, and additional event income, total income was significantly down at 64% of budget level. The company therefore did not contribute to the Group's operating profit and made a loss of £151,000. The Board has reviewed the forecasts and the prospect of the international clients returning and considers that the business should be viewed as a going concern.

Ardingly College International Ltd, our subsidiary company developing educational consultancy services and franchised schools overseas, generated income of £87,500 from the final tranche of the pre-operational fee for the first franchised school in China. The continuing impact of the pandemic on

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DIRECTORS' REPORT *(incorporating the Strategic Report)* **YEAR ENDED 31ST AUGUST 2022**

the Asian countries in which the company had previously done business meant that new business was not possible. The company therefore made a loss of £72,000. The Board has reviewed the forecasts and the contracts secured and, with the Chinese school having opened in Sept 2022, considers that the business should be viewed as a going concern.

Group total funds increased by £1,972,351 for the year, after actuarial adjustments and including revaluations, of which £1,272,000 results from the elimination of the DB scheme pension liability.

The parents of our pupils often make significant sacrifices to pay the fees. In doing so they help to relieve the state of the financial burden of educating 873 UK-based children. The saving is estimated to have a value in the last year of £5,981,796.

The College is unable to recover the VAT on purchases it makes. During the past year, Ardingly College Ltd has paid an estimated £1,605,915 in VAT on goods and services.

In addition to the very substantial benefits our school brings to our pupils, the local community and society through the education we offer, our bursary and outreach programmes create a social asset without cost to the Exchequer.

Reserves Level and Policy, and Financial Viability

It continues to be the College's policy to utilise funds to ensure that high quality, modern facilities are provided for the benefit of pupils. The aim is to budget so as to provide sufficient working capital to meet the present needs and future development strategy of the College, without being required to sell tangible fixed assets, or to use the College's readily realisable investments supporting unrestricted funds.

The Governors have invested substantial sums into new College buildings in recent years and have an ambitious programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils.

The College's total reserves of £19.2m at the year-end included £0.3m of endowed funds, £0.8m of restricted funds and £18.1m unrestricted designated funds. The College's financial viability does not depend on income reserves but in its ability to continue to trade at a surplus on an annual basis, and on the substantial portfolio of fixed assets held for operational use.

The Company's unrestricted reserves are primarily invested in tangible fixed assets which are all used for its direct charitable activities. The College does not have, and cannot therefore rely on, permanent endowments.

Engagement with Suppliers, Customers and Others in a Business Relationship with Ardingly College

Ardingly College seeks to engage actively and positively with all stakeholders in the local community and in the wider educational landscape. Collaborative relationships with suppliers, parents, educational partners and community leaders are seen as key enablers to achieving success in all of the group's operations.

During the year the group has further promoted this engagement through specific initiatives including:

- Regular communication and engagement with parents and prospective parents of pupils attending Ardingly College to enhance the understanding of the provision to each pupil and to fully coordinate support to pupils from parents and schools.
- Engagement with other educational organisations and partners at local and national levels to share best practice and to provide peer support.
- Seeking regular communication with all suppliers and ensuring good commercial practices of prompt payment and clear communication to optimise arrangements for supply of goods and services to Ardingly College.
- Promoting and encouraging pupil and staff opportunities to engage in local voluntary and other projects to support the community.

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DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2022

HOW THE BOARD COMPLIES WITH ITS SECTION 172 DUTY

Section 172 (1) of the Companies Act 2006 (Statement of Director's Duties to Stakeholders) requires directors to act in good faith to promote the success of the charity for the benefit of its members, and in doing so have regard (amongst other matters) to:

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

The Directors welcome the new reporting requirement as an opportunity to explain how dialogue with stakeholders has informed and helped to shape its decisions in promoting the success of the College to achieve its charitable purposes.

As set out on page 5 within "Group Structure and Relationships" the College has developed links with a wide range of organisations to ensure the widest possible access to our facilities and education.

Through membership of HMC, IAPS, AGBIS and ISBA and by networking with peer groups we ensure that we are able to attain the highest standards of quality and performance.

Details of how the College has engaged with employees and had regard to employee interests can be found within the employment policy on page 6 and employment consultation on page 19, details of volunteer engagement can be found on page 3.

The Directors can demonstrate the promotion and success of the charity for the benefit of the stakeholders through the review of achievements and performance for the year, included within this Strategic Report. The College has continued to provide access to high quality academic education as well as pastoral and social support throughout the year. The College also plays an important role in providing activities for local community groups and access to its facilities.

The Directors are responsible for strategic planning and policymaking for the College and, accordingly, all key decisions, the current performance and future longer-term plans of the charity and stakeholders are referred to and taken by the Board. The College is governed by the governing body (Council) which delegates work to a number of committees. Membership of each committee is outlined on page 21. The Governors, who are also the directors, determine the general policy of the company.

As set out in the Strategic report, our culture, staff, volunteer and pupil welfare and wellbeing, throughout the COVID-19 period has been fundamental to the continued success of the College.

Further information can be found in our Strategic Report and the detailed review of achievements and performance for the year.

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2022

Financial risk management objectives and policies

The College uses financial instruments, comprising loans, cash and other liquid resources and other items such as trade debtors and creditors that arise directly from operations.

The main issues arising from the group's financial instruments are liquidity risk and interest rate risk. The College's Directors adopt policies for managing each of the risks and these are summarised below:

- Liquidity risk – the College seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs by negotiating adequate facilities from banks and other lenders.
- Interest rate risk – the College has mitigated its risk to interest rate fluctuations by agreeing one fixed rate loan and by regularly reviewing cash balances to utilise early repayment options for the variable rate loan.

GOING CONCERN

The Council has continued to review any potential impact of the global pandemic on College operations and finances. As noted earlier in the report, all restrictions were lifted before the start of the 2021-22 academic year. Despite this, the virus continues to affect school operations from time to time, due to infections in members of staff and in pupils. School managers and Governors continue to work hard to mitigate any potential financial impact. The College continues to operate at a surplus, with net income of £761,351 in the year to 31 August 2022 and total funds of £19.2m. Pupil numbers are growing steadily, with an additional 16 in the year. Having considered all factors and reviewing the available evidence, the directors have a reasonable expectation that the group will be able to continue operating for the foreseeable future and the financial statements have been prepared on a going concern basis. Further details related to the adoption of the going concern basis can be found in the accounting policies on page 31.

EMPLOYEE CONSULTATION

The Head of the College and other members of the College leadership team meets with all staff prior to the start of each term to provide information on matters of interest/concern, including the academic and financial performance of the College and major capital projects being undertaken.

The College has a staff consultative committee called the Staff Council with elected employee representatives from across the College as well as key members of the Leadership Team – the Head of the College, Prep School Headmaster, Assistant Head – Pupil Welfare, and Director of People. The Staff Council meets twice a year and is an opportunity for staff members to raise issues of concern or ideas for improvement of college facilities and working practices.

The College is keen to encourage employee participation in communication of matters of concern to them. On a weekly basis each of the main schools hosts a meeting with staff from that school to discuss issues affecting staff and pupils. The Operations Staff team also meet for a coffee break meeting every fortnight where key messages are shared.

Where there is any major development affecting the terms and conditions of members of staff, the College holds consultation meetings with affected employees in advance of any major change strategy in line with the communication and consultation policy.

FUTURE PLANS

During 2022-23 the College's principal objective is to embed the new Prep and Senior School structure to ensure that it works as intended for the benefit of pupils. Also to plan for the completion of the restructure by completing the relocation of Key Stage 2 pupils to the Farmhouse site.

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DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2022

Additional aims are:

- To review and re-articulate the ethos of the College.
- To support pupils' wellbeing through an open approach to mental health, professional staff resource and consistent use of CPOMS for information sharing and intervention.
- To develop the concept and core delivery of World Ready for all pupils.
- Develop partnership work with local primary schools.
- To continue to support wider access for local day pupils capable of learning successfully at the College irrespective of parental means.
- To continue to offer places to children fleeing from extreme hardship and seeking humanitarian crisis.
- To continue resourcing the independent-state partnership with Ifield Community College.
- To ensure bursary award holders are well supported through the Partnerships & Bursary Coordinator.
- Recruitment of pupils for the first year of the International Academic Pathway in 2023.
- Continue to explore opportunities for Ardingly College schools overseas and strengthening the global footprint and reputation of Ardingly College.
- To create a future Sustainability Plan for the College to meet climate action goals.
- To continue to develop the quality of campus facilities to support first-class education.

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2022

DIRECTORS

The directors who served during the year, and the committees of which they are members, are:

R Haynes Brown (Chairman)		Finance & General Purposes, Estates, Education, Governance & Nominations
J Armstrong	(resigned 6 October 2022)	(Boarding & Development Governor)
S Bradshaw		Education
S Champkin		
G Dixon		Estates, Finance & General Purposes, Governance & Nominations. (Health & Safety Governor)
V Johnson	(resigned 8 March 2022)	
D Johnson-Poensgen		Finance & General Purposes, Estates, Governance & Nominations. (ICT Governor)
S Kay		(Compliance and IB Governor)
L Lindsay		Education, Finance & General Purposes, Governance & Nominations. (Safeguarding Governor)
E Martin	(resigned 13 October 2021)	Finance & General Purposes
J Martin		Finance & General Purposes. (IB Governor)
R Martin		Estates
K Sweeney		

None of the directors has any beneficial interest in the company. Ardingly College purchases trustees and officers insurance on behalf of the directors.

Exemptions from disclosure

Ardingly College has not taken advantage of any exemption from disclosure in relation to trustee details.

AUDITOR

RSM UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

ARDINGLY COLLEGE LIMITED

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2022

DIRECTORS RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements 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; and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors of Ardingly College Limited on 24th November 2022 including, in their capacity as company directors, approving the Directors' and Strategic Reports contained therein, and signed on its behalf by:



Robert Haynes Brown
CHAIRMAN

ARDINGLY COLLEGE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARDINGLY COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2022

Opinion

We have audited the financial statements of Ardingly College Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, Consolidated Cash Flow Statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 the parent charitable company's affairs as at 31 August 2022 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 and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 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.

Other information

The other information comprises the information included in the Directors' report (incorporating the Strategic report) other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Directors' report (incorporating the Strategic 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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARDINGLY COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2022

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Directors Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, 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 Statement of Trustees' responsibilities set out on page 22, 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 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

ARDINGLY COLLEGE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARDINGLY COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2022

The extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011 and the parent charitable company's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

The Group audit engagement team identified the risk of management override of controls and the risk of revenue recognition for non-fee income as the areas where the financial statements were most susceptible to material misstatement due to fraud. In respect of the risk of management override of controls, audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates. In respect of the risk of revenue recognition for non-fee income, audit procedures performed included but were not limited to the use of analytical review procedures and testing samples of transactions back to underlying documentation.

ARDINGLY COLLEGE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARDINGLY COLLEGE LIMITED YEAR ENDED 31ST AUGUST 2022

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

RSM UK Audit LLP.

Zoe Longstaff-Tyrrell (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Portland, 25 High Street
Crawley
RH10 1BG

Date *5 December 2022.*

ARDINGLY COLLEGE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) YEAR ENDED 31ST AUGUST 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total 2022 £	Total 2021 £
Income and endowments from:						
Charitable Activities						
School fees receivable	2	23,907,324	-	-	23,907,324	21,058,954
Ancillary trading income	3	1,171,220	-	-	1,171,220	1,023,187
Other trading activities						
Non-ancillary trading income	4	1,197,482	-	-	1,197,482	965,488
Other Activities	4	-	-	-	-	4,957
Investments						
Bank and other interest	5	540	12,609	-	13,149	12,780
Voluntary Sources						
Grants and donations	6	15,737	83,993	-	99,730	752,784
Other income						
						10,400
TOTAL INCOME		26,292,303	96,602	-	26,388,905	23,828,550
Expenditure on:						
Raising funds						
Non-ancillary trading	7	1,164,312	-	-	1,164,312	985,694
Other income generating activities		-	-	-	-	-
Financing costs	8	549,208	-	-	549,208	536,020
Investment management		-	-	-	-	-
Fundraising and development	7	125,221	-	-	125,221	71,119
TOTAL RAISING FUNDS		1,838,741	-	-	1,838,741	1,592,833
Charitable Activities						
Education and grant making	7	23,601,750	78,770	-	23,680,520	22,041,369
TOTAL EXPENDITURE		25,440,491	78,770	-	25,519,261	23,634,202
Net gains/(losses) on investment assets	13	(107,497)	-	(796)	(108,293)	260,148
Net income/(expenditure)		744,315	17,832	(796)	761,351	454,496
Transfers between funds	23	-	-	-	-	-
Other recognised gains/(losses)						
Pension scheme actuarial gains	25	1,211,000	-	-	1,211,000	12,000
Net Movement in funds for the year		1,955,315	17,832	(796)	1,972,351	466,496
Fund balances at 1st September		16,133,084	806,564	272,751	17,212,399	16,745,903
FUND BALANCES AS AT 31ST AUGUST		18,088,399	824,396	271,955	19,184,750	17,212,399

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The notes on pages 31 to 58 form part of these financial statements.

ARDINGLY COLLEGE LIMITED

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) YEAR ENDED 31ST AUGUST 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	2022 £	2021 £
Income and endowments from:						
Charitable Activities						
School fees receivable	2	23,907,324	-	-	23,907,324	21,058,954
Ancillary trading income	3	1,186,720	-	-	1,186,720	1,038,687
Other trading activities						
Non-ancillary trading income	4	228,815	-	-	228,815	247,093
Other activities	4	-	-	-	-	4,957
Investments						
Bank and other interest	5	523	12,609	-	13,132	12,766
Voluntary sources						
Grants and donations	6	15,737	83,993	-	99,730	752,784
Other income		-	-	-	-	10,400
TOTAL INCOME		25,339,119	96,602	-	25,435,721	23,125,641
Expenditure on:						
Raising funds						
Non-ancillary trading	7	-	-	-	-	-
Other income generating activities		-	-	-	-	-
Financing costs	8	538,993	-	-	538,993	527,804
Investment management		-	-	-	-	-
Fundraising and development	7	125,221	-	-	125,221	71,119
TOTAL RAISING FUNDS		664,214	-	-	664,214	598,923
Charitable Activities						
Education and grant making	7	23,599,577	78,770	-	23,678,347	22,038,599
TOTAL EXPENDITURE		24,263,791	78,770	-	24,342,561	22,637,522
Net gains/(losses) on investment assets	13	(107,497)	-	(796)	(108,293)	260,148
Net income/(expenditure)		967,831	17,832	(796)	984,867	748,267
Transfers between funds	23	-	-	-	-	-
Other recognised gains/(losses)						
Pension scheme actuarial gains	25	1,211,000	-	-	1,211,000	12,000
Net Movement in funds for the year		2,178,831	17,832	(796)	2,195,867	760,267
Fund balances at 1st September		16,855,614	806,564	272,751	17,934,929	17,174,662
FUND BALANCES AS AT 31ST AUGUST		19,034,445	824,396	271,955	20,130,796	17,934,929

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The notes on pages 31 to 58 form part of these financial statements.

ARDINGLY COLLEGE LIMITED

CONSOLIDATED AND CHARITY BALANCE SHEETS AS AT 31ST AUGUST 2022

	Note	Group 2022 £	2021 £	Charity 2022 £	2021 £
FIXED ASSETS					
Tangible assets	12	30,551,067	28,715,400	30,551,067	28,715,400
Securities Investments	13	1,115,433	1,223,726	1,115,433	1,223,726
Investment in subsidiaries		-	-	3	3
		<u>31,666,500</u>	<u>29,939,126</u>	<u>31,666,503</u>	<u>29,939,129</u>
CURRENT ASSETS					
Stock		67,636	79,725	57,158	73,137
Debtors	14	840,839	465,230	1,838,142	1,322,012
Cash at bank and in hand		<u>5,171,135</u>	<u>4,222,618</u>	<u>5,033,643</u>	<u>4,010,708</u>
		6,079,610	4,767,573	6,928,943	5,405,857
CURRENT LIABILITIES					
Creditors payable within one year	15	(10,805,199)	(5,457,858)	(10,708,489)	(5,373,615)
NET CURRENT ASSETS/(LIABILITIES)		<u>(4,725,589)</u>	<u>(690,285)</u>	<u>(3,779,546)</u>	<u>32,242</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>26,940,911</u>	<u>29,248,841</u>	<u>27,886,957</u>	<u>29,971,371</u>
LONG TERM LIABILITIES					
Creditors payable after one year	16	(7,756,061)	(10,764,342)	(7,756,061)	(10,764,342)
TOTAL NET ASSETS EXCLUDING PENSION LIABILITY		<u>19,184,850</u>	<u>18,484,499</u>	<u>20,130,896</u>	<u>19,207,029</u>
Net pension liability	25	-	(1,272,000)	-	(1,272,000)
NET ASSETS		<u>19,184,850</u>	<u>17,212,499</u>	<u>20,130,896</u>	<u>17,935,029</u>
REPRESENTED BY:					
CALLED UP SHARE CAPITAL	20	100	100	100	100
ENDOWED FUNDS					
RESTRICTED FUNDS	21	271,955	272,751	271,955	272,751
UNRESTRICTED FUNDS	21	824,396	806,564	824,396	806,564
General reserve	21	18,088,399	14,861,084	19,034,445	15,583,614
Pension reserve	25	-	1,272,000	-	1,272,000
		<u>19,184,850</u>	<u>17,212,499</u>	<u>20,130,896</u>	<u>17,935,029</u>

The financial statements were approved and authorised for issue by the Board on 24th November 2022 and signed on its behalf by:

Robert Haynes Brown
CHAIRMAN

Company registration number 03779971

The notes on pages 31 to 58 form part of these financial statements.

ARDINGLY COLLEGE LIMITED

CONSOLIDATED CASH FLOW STATEMENT AS AT 31ST AUGUST 2022

	Notes	2022 £'000	2021 £'000
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	26	4,582,971	3,283,233
Cash flows from investing activities:			
Dividends, interest and rents from investments		13,149	12,780
Proceeds from the sale of property, plant and equipment		-	10,400
Purchase of property, plant and equipment		(3,998,797)	(1,385,039)
Less project spend written off		-	86,524
Net cash provided by (used in) investing activities		(3,985,648)	(1,275,335)
Cash flows from financing activities:			
Repayments of borrowing		(206,690)	(192,193)
Cash inflows from new borrowing		1,107,092	1,139,908
Financing costs		(549,208)	(536,020)
Net cash provided by (used in) financing activities		351,194	411,695
Change in cash and cash equivalents in the year		948,517	2,419,593
Cash and cash equivalents at the beginning of the year		4,222,618	1,803,025
Cash and cash equivalents at the end of the year	27	5,171,135	4,222,618

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

1. ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the year and in the preceding year are:

a) Basis of Accounting

The accounts of the group have been prepared under the Companies Act 2006 and in accordance with the Statement of Recommended Practice for Charities ('SORP (FRS102)') and with applicable UK Accounting Standards. They are drawn up on the historical cost accounting basis except that property and share investments held as fixed assets are carried at fair value.

Ardingly College meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Further details are provided in note 33, and in the accounting policies for depreciation of fixed assets, for pensions and for bad debts. The financial statements are presented in sterling (£) and the functional currency is sterling (£).

b) Going Concern

The accounts have been prepared on a going concern basis. The Ardingly College Board reviews the financial information for the company and the group and considers whether the group and company are a going concern for a period of at least 12 months from the date of approval of the accounts.

The governing body has continued to review any potential impact of the global pandemic on school operations and finances. As noted earlier in the report, all restrictions were lifted before the start of the 2021-22 academic year. Despite this, the virus continues to affect school operations from time to time due to infections in members of staff and in pupils. School managers and governors continue to work hard to mitigate any potential financial impact. The College continues to operate at a surplus, with net income of £761,351 in the year to 31 August 2022 and total funds of £19.2m. Pupil numbers are growing steadily, with an additional 16 in the year. Having considered all the factors and reviewing the available evidence, the directors have a reasonable expectation that the group has adequate resources to continue operating for the foreseeable future and the financial statements have been prepared on a going concern basis.

c) Group Accounts

The financial statements consolidate the financial statements of the company, and all its subsidiary companies, charitable trusts and funds with all inter-company balances being eliminated. Entities are consolidated where Ardingly College exercises overall control either through ownership of shares, or through having common trustees with a common objective. Accounting policies are consistently applied between group companies.

d) School Fees Receivable and Similar Income

Fees receivable and other educational income are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions by the school, but include contributions received from restricted funds for scholarships, bursaries and other grants. Fees in Advance Scheme Contracts are those fees received in advance of education to be provided in future years under a specific contract. The fees are either held as investments in interest bearing assets until taken to income to match liabilities in the term when used, or refunded, or they are held within the unrestricted reserves of the school. Any surplus of assets over liabilities is held within the fund as a buffer. Debts are provided for if not recovered within one term. Estimating amounts to provide against

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

recovery of debts is a matter of judgement.

e) Ancillary and Non-Ancillary Trading Income

Ancillary trading income represents amounts from activities to generate funds within the charitable objects, for example school shop sales, coaches to and from school and school trips. Non-ancillary trading income represents amounts from activities not directly related to the charitable objects, for example lettings of school facilities out of term time and rental from spare school buildings. Income from these activities is recognised in the Statement of Financial Activities when the goods are sold or services provided.

f) Voluntary sources, Grants and Donations

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can reliably be quantified and the economic benefit is considered probable.

Voluntary income for general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the school in case of donated services or facilities.

g) Expenditure

Expenditure is accrued as soon as there is a contractual obligation or a liability is considered probable, discounted to present value for longer term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates. Bad debts are provided for in accordance with the group bad debt policy. The cost of refurbishing and converting existing buildings is written-off in the year in which it is incurred except where the useful life has been extended.

h) Finance and Other Costs

Other costs include amounts accrued in accordance with the terms of Fees in Advance Scheme Contracts.

i) Pension Costs

Following a consultation with teaching staff, the College withdrew from the Teachers' Pension Scheme on 1st January 2021 and all teaching staff were enrolled in the Aviva Pension Trust for Independent Schools (APTIS); a defined contribution scheme.

The College also has a closed defined benefits scheme for non-teaching staff. Contributions to the Scheme are made in accordance with the recommendations of independent actuaries and are charged to the Statement of Financial Activities as they are incurred. In addition, under the provisions of FRS102, the actuarial liability of the Scheme is reviewed annually and provision is made for any actuarial deficit arising.

The assets of the Scheme are held separately from the company in an independently administered fund. Contributions to the defined contribution scheme are charged to the Statement of Financial Activities as they are incurred. The company recognises a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises. Further detail is in note 25.

j) Termination costs for staff

Termination payments for staff include redundancy payments, ex-gratia payments and pay in lieu of notice. Costs are accounted for in the period in which payment is made, or agreement is finalised, if earlier.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

k) Tangible Fixed Assets and Depreciation

In accordance with Section 35.10 (d) of FRS102, Ardingly College has elected to use the carrying value of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost at the date of transition to FRS102, 1 September 2014.

Tangible fixed assets are stated at cost less depreciation. Individual capital items, or projects, with a value greater than £10,000 are capitalised. Assets in the course of construction are stated at cost less any provision for impairment. They are transferred to completed assets when substantially all of the activities necessary to get the asset ready for use are complete. Where appropriate cost includes our own labour costs in relation to construction, and directly attributable overheads.

Where tangible fixed assets have been acquired with the aid of specific grants they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset based on current market prices, over its expected useful life, as follows:

Freehold land is not depreciated

Freehold Buildings:	- Variable according to the building and written off over the expected useful life (see paragraph below)
Freehold improvements	- Over the useful economic life of the improvement
Leasehold land	- Over the shorter of the economic life of the asset or the life of the lease
Leasehold enhancement	- Over the economic life of the asset
Computer equipment	- 25% on cost
Telephone system	- 10% on cost
Fixtures and fittings	- between 5% and 25% on cost
Motor vehicles	- 25% on cost.

The company has reviewed its tangible assets, which comprise land, buildings and initial fixtures and fittings. The company undertakes an annual review of all buildings assessing their useful economic life. In some cases the useful economic life of a building is anticipated to be of considerable length, often in excess of 100 years. The buildings are capitalised in the financial statements at historic cost. Where the calculated depreciation charge is a material figure, it is charged in these financial statements but, where the carrying value is not more than the estimated recoverable amount and the depreciation on the building is not material to these financial statements, it has been assessed, but not charged on the basis that it is not material. The directors will continue to carry out annual assessments of the recoverable amount and the estimated useful life of all buildings and where the depreciation is a material value, it will be charged. The review is based on the directors' assessments of the market value and the future economic benefit derived from an asset versus its carrying value in the financial statements.

When the Company undertakes a significant refurbishment project that will have an economic benefit, the cost of the refurbishment is capitalised, recorded separately under 'Freehold Improvements', its useful life is estimated and it is depreciated over that useful life.

No depreciation is provided for in respect of investment properties in accordance with Section 16 of FRS102. Such properties are held for their investment potential and not for consumption within the business. Investment properties are stated at their fair value at the balance sheet date.

Ardingly College exercises judgement in selection of appropriate rates for depreciation of fixed assets, and for matters of impairment.

l) Financial Instruments

Ardingly College 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.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

m) **Securities and Fees in Advance Investments**

Securities and Fees in Advance investments are carried at fair value, which is deemed to be market value as at the balance sheet date.

Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate fund according to the 'ownership' of the underlying assets. Realised gains and losses are the difference between sales proceeds and opening market value where the investment was held at the beginning of the year, or sales proceeds less cost of purchase where the investment was acquired in the year. The revaluation reserve reflects the accumulated total of unrealised gains and losses. Uninvested cash is the balance of liquid cash, held as an investment, which has not been invested in securities.

n) **Stocks**

Stocks comprise staff uniform, consumable stores and goods held for resale: they are valued at the lower of cost and net realisable value.

o) **Leasing Commitments**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives or the period of the lease whichever is the shorter. The interest element of the obligations is charged to the Statement of Financial Activities over the period of the lease. Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight-line basis over the lease term. Lease incentives are accounted for over the lease term on a straight-line basis.

p) **Fee Deposits**

Refundable fee deposits are currently classified between long term and short term in the financial statements. These deposits are refundable in the event that the pupils leave a school on one term's notice and as such the deposit would be refunded to the parents at that point. However, the financial statements are prepared on a going concern basis and it is assumed that the majority of children will remain in school for their full years of education and therefore the deposit will be refunded to them when they leave school.

Short term deposits reflect those pupils that will be leaving a school within one year, and the longer-term element reflects those pupils that will be leaving a school after 12 months from the balance sheet date.

q) **Fund Accounts**

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity. Endowment funds are further sub-divided into permanent and expendable, where required by the terms of the trust.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Designated funds comprise funds which have been set aside at the discretion of the directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

r) **Taxation**

Ardingly College is a registered charity and as such is exempt from income tax and corporation tax under the provisions of Section 478 of the Corporation Tax Act 2010. There is no similar exemption for VAT, which is included in expenditure or in the cost of assets as appropriate.

The College has subsidiary companies which are subject to taxes including corporation tax and VAT in the same way as any commercial organisation. The tax charged to the profit and loss account is based on the subsidiary company's profit for the year and takes into account tax arising because of timing differences between the treatment of certain items for tax and accounting purposes.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

Taxation (continued)

The subsidiary companies distribute the majority of their profits to Ardingly College under Gift Aid and tax liabilities are kept to a minimum.

2. CHARITABLE ACTIVITIES - SCHOOL FEES RECEIVABLE

	2022 £	2021 £
The school fees income comprises		
Gross fees	26,454,556	23,473,911
Less: Total scholarships, bursaries, etc	(2,555,232)	(2,414,957)
Add back: Scholarships, Grants etc paid for by Restricted Funds	8,000	-
	<u>23,907,324</u>	<u>21,058,954</u>

Scholarships, bursaries and other awards were paid to 272 pupils (2021: 291 pupils). Within this, means-tested bursaries totalling £533,432 were paid to 42 pupils (2021: £554,708 to 47 pupils).

3. CHARITABLE ACTIVITIES – ANCILLARY TRADING INCOME

	2022 £	2021 £
Extras	608,337	617,613
Entrance fees and registration fees	88,461	67,755
Pupil transport	124,105	81,336
Commissions and related income	48,554	54,726
Sundry other income	301,763	201,757
	<u>1,171,220</u>	<u>1,023,187</u>

4. OTHER TRADING ACTIVITIES

	2022 £	2021 £
Non-ancillary trading income		
Ardingly Projects Limited turnover	1,007,774	778,145
Ardingly College International Limited turnover	87,500	70,000
Rents receivable	95,879	117,343
Interest receivable – pupil bills	6,329	4,957
	<u>1,197,482</u>	<u>970,445</u>

Ardingly Projects Limited turnover includes £859,731 of lettings income (2021: £730,628).

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

5. INVESTMENTS - BANK AND OTHER INTEREST RECEIVABLE

	Unrestricted	Restricted	Endowed	Total 2022 £	Total 2021 £
Bank interest	17	-	-	17	14
Other interest	523	12,609	-	13,132	12,766
	<u>540</u>	<u>12,609</u>	<u>-</u>	<u>13,149</u>	<u>12,780</u>

6. OTHER - GRANTS AND DONATIONS

	Unrestricted	Restricted	Endowed	Total 2022 £	Total 2021 £
Sundry Bequests & Donations	15,737	83,993	-	99,730	380,768
Government Funding	-	-	-	-	372,016
	<u>15,737</u>	<u>83,993</u>	<u>-</u>	<u>99,730</u>	<u>752,784</u>

Government funding of £372,016 in the 2021 comparative figures represents CJRS grant receipts for staff furloughed as a result of College closures during the pandemic.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

7. ANALYSIS OF EXPENDITURE

a) Total expenditure

	Staff costs (note 9) £	Support costs £	Depreciation (Note 12) £	Total 2022 £	Total 2021 £
Costs of raising funds					
Non ancillary trading	700,691	463,621	-	1,164,312	985,694
Other income generating activities	-	-	-	-	-
Financing cost (note 8)	-	549,208	-	549,208	536,020
Investment management	-	-	-	-	-
Fundraising and development	88,067	37,154	-	125,221	71,119
Total cost of generating funds	788,758	1,049,983	-	1,838,741	1,592,833
Charitable expenditure					
Teaching	11,087,553	1,189,529	378,891	12,655,973	11,463,852
Welfare	1,468,999	1,452,748	1,625,997	4,547,744	4,017,745
Premises	1,587,630	2,345,804	58,640	3,992,074	4,088,789
School administration	1,162,354	1,156,132	99,602	2,418,088	2,414,035
Grants awards and prizes (note 7b)	-	23,995	-	23,995	9,161
Governance	-	42,646	-	42,646	47,787
Education and grant making	15,306,536	6,210,854	2,163,130	23,680,520	22,041,369
Total Expenditure	16,095,294	7,260,837	2,163,130	25,519,261	23,634,202

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

7. ANALYSIS OF EXPENDITURE (Continued)

b) Grants, awards and prizes

Ardingly College makes awards to individual families to support schooling.

	2022 £	2021 £
From Restricted Funds:		
Prizes and leaving awards	21,600	9,161
From Unrestricted Funds:		
Prizes and leaving awards	2,395	-
	<u>23,995</u>	<u>9,161</u>

c) Total resources expended include:

Ardingly College reimburses governors for out-of-pocket expenses including travel subsistence and accommodation, where a claim is made. No governors were reimbursed during the year (2021: 1).

	2022 £	2021 £
Remuneration paid to auditor for audit services	31,490	35,400
Remuneration paid to auditor for non-audit services	-	3,600
Depreciation of tangible fixed assets:		
- owned by the Charitable Company	2,163,130	2,134,694
(Profit)/loss on disposal of fixed assets	-	(10,400)
Operating lease rentals:		
- other assets	92,325	69,506
Cost of stock/inventories recognised as an expense in the period	1,013,351	705,529
Reimbursement of personal expenses to governors	-	48

8. FINANCING COSTS

	2022 £	2021 £
Bank interest payable	393,588	369,953
Bank charges	45,788	33,300
Other finance costs	5,279	37,678
Provision for bad and doubtful debts	104,553	95,089
	<u>549,208</u>	<u>536,020</u>

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

9. STAFF COSTS

	2022 £	2021 £
The aggregate payroll costs for the year were:		
Wages and salaries	14,001,494	12,734,203
Social security costs	1,240,670	1,135,752
Other pension costs	674,760	1,038,980
Termination payments	178,370	55,726
	16,095,294	14,964,661

Included in staff costs are redundancy or termination payments totalling £178,370 (2021: £55,726). The amount outstanding at the year-end was £nil (2021: £nil).

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

The Head of College, Head of Senior School, Prep School Head and the Director of Finance (between 01/01/22 and 31/08/2022) are classed by the College as being the Key Management Personnel.

	2022 £	2021 £
Aggregate employee benefits of key management personnel	642,780	780,058

The number of higher paid employees whose annual emoluments were £60,000 or more was:

	2022 No.	2021 No.
£60,001 - £70,000	10	7
£70,001 - £80,000	3	2
£80,001 - £90,000	-	1
£90,001 - £100,000	-	1
£100,001 - £110,000	1	1
£220,001 - £230,000	-	1
£230,001 - £240,000	1	-

The number with retirement benefits accruing:
- in Defined Contribution schemes was

14

Of which the contributions amounted to

£203,725

- in Defined Benefit schemes was

0

Of which the contributions amounted to

£0

For 2022 there is one (2021: one) employee earning over £60,000 per year who has chosen not to participate in a pension scheme.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

The average number of employees during the year calculated on a head count basis, was 459
(2021: 454)

	2022 No	2021 No
Teaching	151	147
Welfare	111	116
Premises	44	40
Support	78	79
Other activities	75	72
	<u>459</u>	<u>454</u>

10. DIRECTORS

None of the directors (or any persons connected with them) received any remuneration during the year. Scholarships totalling £3,778 were awarded to children of one director attending the school (2021: £3,478 to children of one director).

11. TAXATION

The company is a registered charity and therefore no liability to taxation arises on its charitable activities.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

12. TANGIBLE FIXED ASSETS

Group and company	Freehold Land & Buildings £	Freehold Improvements £	Assets Under Construction £	Plant & Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost							
At 1st September 2021	26,771,487	1,909,234	1,120,561	7,306,244	2,375,168	341,025	39,823,719
Additions	-	388,925	3,283,687	90,834	200,292	35,059	3,998,797
Disposals	-	-	-	(11,249)	(30,352)	-	(41,601)
Transfers	-	1,888,368	(1,918,473)	30,105	-	-	-
At 31st August 2022	26,771,487	4,186,527	2,485,775	7,415,934	2,545,108	376,084	43,780,915
Depreciation							
At 1st September 2021	4,135,506	538,719	-	4,791,700	1,387,073	255,321	11,108,319
Charge for the year	851,850	230,102	-	562,794	475,794	42,590	2,163,130
Disposals	-	-	-	(11,249)	(30,352)	-	(41,601)
At 31st August 2022	4,987,356	768,821	-	5,343,245	1,832,515	297,911	13,229,848
Net book value at 31st August 2022	21,784,131	3,417,706	2,485,775	2,072,689	712,593	78,173	30,551,067
Net book value at 31st August 2021	22,635,981	1,370,515	1,120,561	2,514,544	988,095	85,704	28,715,400

All assets are used for charitable purposes.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

13. SECURITIES INVESTMENTS

	Securities Investments 2022 £	2021 £
Group investments		
At 1 September	1,223,726	963,578
Unrealised gains/(losses) on investments	(108,293)	260,148
Group investments at 31 August	1,115,433	1,223,726
Investment in subsidiaries	3	3
Company investments at 31 August	1,115,436	1,223,729
Investments comprise:		
Listed investments		
Equities	1,115,433	1,141,480
Cash	-	82,246
Group investments at 31 August	1,115,433	1,223,726
Investment in subsidiaries	3	3
Company investments at 31 August	1,115,436	1,223,729

Ardingly College owns all of the share capital of Ardingly Projects Limited, a company incorporated in England/Wales and Ardingly College International Limited, a company incorporated in England/Wales. Further details are provided in note 32.

In addition to the above investments, cash balances within the Fees in Advance Scheme are included in current assets as cash deposits.

The main Securities Investments are held on behalf of Ardingly College by Hargreaves Lansdown. All investments are managed within the UK.

Holdings at the year-end comprising more than 5% of the total are:

Legal & General US Index	82,531
FSSA Asia Focus	70,149
iShares US Equity Index	69,749
Jupiter Strategic Bond	63,288
Invesco Tactical Bond	57,204
Legal & General Future World ESG	<u>56,819</u>

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

14. DEBTORS

	Group 2022 £	2021 £	Company 2022 £	2021 £
School fees receivable	146,275	118,824	146,275	118,824
Trade debtors	263,757	46,460	7,155	-
Other debtors	123,874	24,238	123,874	24,238
Prepayments and accrued income	306,933	275,708	308,441	275,708
Amounts due from subsidiary company	-	-	1,252,397	903,242
	840,839	465,230	1,838,142	1,322,012

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

15. CREDITORS: amounts falling due within one year

	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans and overdrafts	4,219,084	206,689	4,219,084	206,689
Deposits from parents	807,505	434,542	807,505	434,542
Fees received from parents in advance of term	3,201,036	2,560,496	3,201,036	2,560,496
Trade creditors	651,255	675,852	633,505	645,106
Taxation and social security	408,373	309,459	392,179	303,062
Other creditors	158,126	265,034	150,265	264,412
Fees in Advance Scheme	136,311	280,277	136,311	280,277
Accruals	1,207,197	723,399	1,168,604	679,031
Deferred income	16,312	2,110	-	-
	10,805,199	5,457,858	10,708,489	5,373,615

Ardingly College has an existing bank loan from Lloyds Bank Plc. The loan is secured against the College campus at a rate of interest of 5.845% over base rate and is repayable over a term of 25 years. A second loan was established in 2020 with Lloyds Bank Plc. The loan is for a maximum of £4m, with interest only payable for a period of three years, at a rate of 1.08% over the official bank base rate of the Bank of England. The loan was fully drawn down in January 2022.

Pension contributions outstanding at the year-end totalled £221,621.

16. CREDITORS: amounts falling due after one year

	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans and overdrafts	5,276,351	8,388,344	5,276,351	8,388,344
Deposits from parents	2,373,245	2,244,496	2,373,245	2,244,496
Other creditors	-	-	-	-
Fees in Advance Scheme	106,465	131,502	106,465	131,502
	7,756,061	10,764,342	7,756,061	10,764,342

Parents pay to the school a deposit of £2,000 or, in the case of parents living overseas, a sum equal to one term's fees in advance. The money may be returned, subject to specific conditions, on the receipt of a full term's notice. £1,000 of the deposit is applied against the first term's fees, then, assuming that the pupil remains in the school, (which the vast majority do based on historical information), refundable deposits will be applied against the final term's bill.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

17. BANK LOAN

	2022 £	2021 £
The bank loan is repayable in instalments		
Due after 5 years	4,261,197	4,535,654
Due within 2 to 5 years	782,920	3,633,605
Due within 1 to 2 years	232,234	219,085
Due after more than one year	5,276,351	8,388,344
Due within 1 year	4,219,084	206,689
	9,495,435	8,595,033

18. FEES IN ADVANCE SCHEME

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

	2022 £	2021 £
After 5 years	-	-
Within 2 to 5 years	54,553	52,280
Within 1 to 2 years	51,912	79,222
Due after more than one year	106,465	131,502
Within 1 year	136,311	280,277
	242,776	411,779

Summary of movements in liability

	£
Balance at 1 September 2021	411,779
New contracts	127,630
Repayments	-
Amounts used to pay fees	(301,911)
Amount accrued to contract as debt financing cost	5,278
Balance at 31 August 2022	242,776

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

19. COMMITMENTS UNDER OPERATING LEASES

The future minimum commitments under non-cancellable operating leases are:

	Other 2022 £	2021 £
Within 1 year	85,845	76,748
Within 1 to 5 years	107,241	174,112
After 5 years	-	-
	<hr/> 193,086	<hr/> 250,860

20. SHARE CAPITAL

	2022 £	2021 £
Authorised		
100 Ordinary Shares of £1 each	100	100
Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	100	100

The Company's ordinary shares each carry the right to one vote at general meetings of the Company. There is no right to fixed income or a distribution on winding-up.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

21. FUNDS

Ardingly College's funds are analysed under the following headings:

a) ENDOWED FUNDS

The endowed funds of the Charity are funds set up by donors as permanent capital. The income generated is restricted to funding bursaries, grants and prizes.

b) RESTRICTED FUNDS

Special Trust Funds

These represent current gifts, donations and legacies etc. from external donors for specific purposes where there is no requirement to preserve capital. Expenditure directly financed by such gifts is shown under restricted funds.

At 31 August 2022, these were:

	£
Bursary Funds	584,790
Bursary & Prize Fund	108,055
Student Hardship Fund	58,120
Solar Car & STEM Bus	32,383
Strength & Conditioning Centre	24,763
College campus projects	12,324
Music projects	5,000
Outreach & overseas fundraising	(1,039)
	<u>824,396</u>

Bursary Funds: These comprise the funds received from the liquidation of the Woodard Schools (Southern Division) Benefit Fund in 2019, along with other gifts received in support of our bursary programme either generally or for specific pupils. Ardingly College is holding these as a bursary fund to provide means tested grants to support the education of children at Ardingly.

Bursary & Prize Fund: Rental income received from the endowed property is held to fund prizes awarded to students.

Student Hardship Fund: This is held to provide support for bursary funded students to take part in overseas trips as part of their education. Students can apply for assistance with one trip throughout their education at Ardingly.

Solar Car & STEM Bus: A donation was received this year to purchase and fit-out a STEM bus as part of the Ardingly-Ifield STEM partnership. The bus will be located at Ifield Community College and will provide a facility where extracurricular solar activities can occur.

Strength & Conditioning Centre: This fund is held to match the annual depreciation charge on the gym building and equipment.

College campus projects: Donations received during the year to fund specific items and projects around the College campus, including planting and grounds work and the purchase of judo mats.

Music projects: A donation was received in the year for the music department to establish a wellbeing space

Outreach & overseas fundraising: Donations towards Ukraine and a continuation of the Mwega lunchbox programme started last year. The fund is in deficit as it is awaiting reimbursement of gift aid claims and will return to surplus on receipt.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

c) UNRESTRICTED FUNDS

Unrestricted funds represent accumulated income from the school's activities and other sources that are available for the general purposes of the school.

At 31 August 2022, these were:

	£
Specific Development Campaigns	515,814
Drake Fund	1,412,033
Composition Fee Schemes	242,776
General Reserve	16,863,819
	<hr/>
	19,034,442
	<hr/>

Specific Development Campaigns: This comprises funds from regular giving and legacy donations which have been designated for particular projects and initiatives. The major components of this are:

Greatest Need	£409,127
Science Projects	£ 26,302
Solar Car	£ 19,153
Capital Projects	£ 16,680
General Bursary	£ 20,822

Greatest Need: Funds are held to be used towards causes which are considered by the Board to be the greatest priority and will generally contribute towards our bursary programme or capital works.

Drake Fund: This fund is formed from a generous legacy donation. Income generated from the fund will be used to fund bursaries and the purchase of equipment for College use.

Composition Fee Schemes: This comprises day and boarding fees paid in advance for up to three years and is applied to the individual fee accounts as they fall due.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Restricted £	Endowed £	Total 2022 £	Total 2021 £
Tangible fixed assets	30,261,654	-	289,413	30,551,067	28,715,400
Securities investments	1,105,874	-	9,559	1,115,433	1,223,726
Advance fees contracts	136,311	-	-	136,311	411,779
Net current (liabilities)/assets	(5,659,379)	824,396	(27,017)	(4,862,000)	(1,102,064)
Long term liabilities	(7,756,061)	-	-	(7,756,061)	(10,764,342)
Net pension liability	-	-	-	-	(1,272,000)
	<u>18,088,399</u>	<u>824,396</u>	<u>271,955</u>	<u>19,184,750</u>	<u>17,212,499</u>

	Unrestricted £	Restricted £	Endowed £	Total 2021 £	Total 2020 £
Tangible fixed assets	28,425,987	-	289,413	28,715,400	29,551,579
Securities investments	1,213,371	-	10,355	1,223,726	963,578
Advance fees contracts	411,779	-	-	411,779	331,762
Net current (liabilities)/assets	(1,881,611)	806,564	(27,017)	(1,102,064)	(3,288,278)
Long term liabilities	(10,764,342)	-	-	(10,764,342)	(9,487,735)
Net pension liability	(1,272,000)	-	-	(1,272,000)	(1,325,000)
	<u>16,133,184</u>	<u>806,564</u>	<u>272,751</u>	<u>17,212,499</u>	<u>16,745,906</u>

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

23. SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	At 1 Sept 2021 £	Income £	Expenditure £	Gains/ (losses) £	At 31 August 2022 £
Endowed – Permanent					
Property	283,572	-	-	-	283,572
Shares	10,355	-	-	(796)	9,559
Revaluation	(21,176)	-	-	-	(21,176)
Total Endowment	272,751	-	-	(796)	271,955
Restricted Funds					
Bursary Funds	592,790	-	(8,000)	-	584,790
Ardingly College Prize & Donation Fund	116,996	12,660	(21,600)	-	108,056
Strength & Conditioning Centre	14,763	10,000	-	-	24,763
Student hardship	57,946	174	-	-	58,120
Capital Projects	-	-	-	-	-
150 th Anniversary events	10,000	-	(10,000)	-	-
Solar Car & STEM Bus	-	40,000	(7,616)	-	32,383
College campus projects	-	19,920	(7,596)	-	12,324
Choir tour	12,268	17	(12,284)	-	-
Music projects	-	5,000	-	-	5,000
Outreach	1,801	8,832	(11,674)	-	(1,040)
	806,564	96,603	(78,770)	-	824,396
Unrestricted Funds					
Specific Development Campaigns	520,470	15,737	(20,392)	-	515,815
Bursary funds	-	-	-	-	-
Drake Fund	1,519,530	-	-	(107,497)	1,412,033
Composition Fee Schemes	411,779	127,630	(296,633)	-	242,776
General Reserve	15,675,835	25,835,443	(24,647,460)	-	16,863,818
Pension Reserve	(1,272,000)	61,000	-	1,211,000	-
Trading Subsidiary	(722,530)	252,493	(476,006)	-	(946,043)
	16,133,084	26,292,303	(25,440,491)	1,103,503	18,088,399
Total Funds	17,212,399	26,388,906	(25,519,261)	1,102,707	19,184,750

Note 21 provides details of the individual funds.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

23. (Continued) SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	At 1 Sept 2020 £	Income £	Expenditure £	Gains/ (losses) £	At 31 August 2021 £
Endowed – Permanent					
Property	283,572	-	-	-	283,572
Shares	6,270	-	-	4,085	10,355
Revaluation Reserve	(21,176)	-	-	-	(21,176)
Total Endowment	268,666	-	-	4,085	272,751
Restricted Funds					
Bursary Fund	301,073	291,717	-	-	592,790
Ardingly College Prize & Donation Fund	113,851	12,307	(9,162)	-	116,996
Strength & Conditioning Centre	31,207	10,000	(26,444)	-	14,763
Student Hardship	57,831	115	-	-	57,946
Capital Projects	100,000	23,904	(123,904)	-	-
150 th Anniversary Events	10,000	-	-	-	10,000
Community & Outreach	-	3,001	(1,200)	-	1,801
Covid PCR machine	-	10,000	(10,000)	-	-
Choir Tour	-	15,000	(2,732)	-	12,268
	613,962	366,044	(173,442)	-	806,564
Unrestricted Funds					
Specific Development Campaigns	493,810	27,146	(486)	-	520,470
Bursary Fund	-	-	-	-	-
Drake Fund	1,263,467	-	-	256,063	1,519,530
CJRS grant	-	372,016	(372,016)	-	-
Composition Fee Schemes	331,762	293,109	(213,092)	-	411,779
General Reserve	15,527,995	22,690,284	(22,542,444)	-	15,675,835
Pension Reserve	(1,325,000)	41,000	-	12,000	(1,272,000)
Trading Subsidiary	(428,759)	38,951	(332,722)	-	(722,530)
	15,863,275	23,462,506	(23,460,760)	268,063	16,133,084
Total Funds	16,745,903	23,828,550	(23,634,202)	272,148	17,212,399

24. CAPITAL COMMITMENTS

At 31 August 2022, the group had no capital commitments.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

25. PENSION SCHEMES

Teaching Staff

Teaching staff are enrolled in the Aviva Pensions Trust for Independent Schools, a defined contribution scheme.

Operations Staff

Operations staff are enrolled in the Ardingly College Group Personal Pension, a defined contribution scheme operated by AEGON.

Ardingly College Retirement Benefit Scheme

(A final salary pension scheme for Operations staff employed before 2001)

Ardingly College (the Employer) operates a final salary pension scheme, the Ardingly College Retirement Benefits Scheme (the Scheme). The Scheme is a Registered Pension Scheme under Chapter 2 of Part IV of the Finance Act 2004. The Scheme is closed to new members.

Composition of the Scheme

A full FRS102 valuation was carried out for the Ardingly College Retirement Benefit Scheme as at 31 August 2022 by a qualified independent actuary. The assets of the scheme are held separately from those of the Employer. The major assumptions used by the actuary to value the assets and liabilities at the balance sheet date are:

	2022	2021
Inflation assumption (RPI)	3.8%	3.6%
Rate of increase in salaries	4.8%	4.6%
The assumed rate of increase to pensions in deferment	3.8%	3.6%
The assumed rate of interest to pensions in payment	3.6%	3.5%
Assumed rate used to discount scheme liabilities	4.2%	1.6%
Average life expectancy	88.8	90.0

The life expectancy shown is the average of the figures for men and women aged 45 and 65 at the effective date

Assumptions

The assumptions have been determined as follows:

- the discount rate is based on a yield curve constructed from the iBoxx sterling AA Corporate Bond Index at the effective date, at the duration of the liabilities;
- the rate of increase in the Retail Price Index (RPI) is derived from the difference in the yields on fixed and index-linked UK government bonds (gilts) at the effective date published by the Bank of England.
- future pay increases are assumed to be in line with the increase in the Retail Price Index plus 1% per annum.
- demographic assumptions are those considered appropriate for our scheme by the actuary.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

Assets and Liabilities at each year end in accordance with FRS102 were:

	2022 £	2021 £
Total market value of assets	3,194,000	3,327,000
Restriction on asset balance	(283,000)	-
Present value of liabilities	(2,911,000)	(4,599,000)
Deficit	-	(1,272,000)

Analysis of amount recognised in Statement of Financial Activities

	2022 £	2021 £
Current service cost	18,000	33,000
Net interest on defined benefit liability	20,000	22,000
Expenses paid from the Scheme	8,000	8,000
Total Cost	46,000	63,000

Analysis of amount recognised in other comprehensive income

	2022 £	2021 £
Actual return on assets	(130,000)	86,000
Return on assets included in net interest	(53,000)	(55,000)
Asset gain/(loss)	(183,000)	31,000
Liability experience gain/(loss)	117,000	124,000
Change of assumptions gain/(loss)	1,568,000	(135,000)
Restriction on asset balance	(283,000)	-
Remeasurement gain/(loss) in other comprehensive income	1,219,000	20,000

Changes in the present value of the defined benefit liabilities are:

	2022 £	2021 £
Opening value of liabilities	4,599,000	4,604,000
Interest cost	73,000	77,000
Service cost (including member contributions)	23,000	38,000
Experience (gain) / loss	(117,000)	(124,000)
Change of assumptions (gain) / loss	(1,568,000)	135,000
Benefits paid	(99,000)	(131,000)
Closing value of liabilities	2,911,000	4,599,000

Changes in the fair value of the assets are as follows:

	2022 £	2021 £
Opening value of assets	3,327,000	3,279,000
Expected return	53,000	55,000
Asset gain	(183,000)	31,000
Restriction on asset balance	(283,000)	-
Contributions by employer	99,000	96,000
Contributions by members	5,000	5,000
Benefits paid	(99,000)	(131,000)
Expenses paid from the scheme	(8,000)	(8,000)
Closing value of assets	2,911,000	3,327,000

Due to the Scheme having a year-end net asset balance of £283,000, this has been restricted and removed above through other comprehensive income, with the corresponding entry in the balance sheet.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

The total value of the assets is divided between the main asset classes as follows:

	At 31 Aug 22	At 31 Aug 21
Equities	34.6%	35.7%
Gilts	16.1%	12.6%
Bonds	26.8%	28.2%
Property	10.1%	6.6%
Cash	0.2%	0.6%
Annuities	12.2%	16.3%
Total	100%	100%

The assets above do not include any securities of, or property occupied by Ardingly College.

Amounts for the current and previous four periods (in thousands):

	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000
Present value of liabilities	(2,911)	(4,599)	(4,604)	(4,882)	(4,099)
Total market value of assets	3,194	3,327	3,279	3,146	2,891
Restriction applied to asset balance in accounts	(283)	-	-	-	-
(Deficit) / Asset	-	(1,272)	(1,325)	(1,736)	(1,208)
Experience gain /(loss) on assets	(183)	31	76	187	75
Experience gain/(loss) on liabilities	117	124	220	(95)	97

The actual return on assets over the period was a loss of approximately £130,000 (2021: £86,000).

The total actuarial gain/loss for the period (being the sum of the liability experience gain/loss, the change of assumptions gain/loss and the asset gain/loss) was a gain of approximately £1,502,000. A restriction of £283,000 has been applied to this gain so that the overall impact is to eliminate the previous liability without recognising the asset. (2021: gain of approximately £20,000).

The Employer expects to contribute a minimum of £92,520 to the scheme in the year from the end of the period towards the deficit.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

26. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATIONS

	2022 £	2021 £
Net income for the period (as per the Statement of Financial Activities)	761,351	454,496
Adjustments for		
Depreciation charges	2,163,130	2,134,694
(Gains)/losses on investments	108,293	(260,148)
Dividends, interest and rents from investments	(13,149)	(12,780)
Financing costs	549,208	536,020
Loss/(profit) on the sale of fixed assets	-	(10,400)
Defined benefit pension scheme	1,211,000	12,000
(Increase)/decrease in stocks	12,089	(29,995)
(Increase)/decrease in debtors	(375,609)	509,687
Increase/(decrease) in creditors	166,658	(50,341)
Net cash provided by (used in) operating activities	4,582,971	3,283,233

27. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand and at bank	5,171,135	4,222,618
Other loans	-	-
Overdraft facilities repayable on demand	-	-
Total cash and cash equivalents	5,171,135	4,222,618

28. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sept 2021 £	Cash flows £	Other non-cash changes £	At 31 Aug 2022 £
Cash and cash equivalents				
Cash	4,222,618	948,517	-	5,171,135
	4,222,618	948,517	-	5,171,135
Borrowings				
Debt due within one year	(206,689)	(4,012,395)	-	(4,219,084)
Debt due after one year	(8,388,344)	3,111,993	-	(5,276,351)
	(8,595,033)	(900,402)	-	(9,495,435)
Total	(4,372,415)	48,115	-	(4,324,300)

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

29. SUBSIDIARIES

The Company owns all the share capital of Ardingly Projects Limited, a company incorporated in England and Wales (Company number: 01931797). This company carries out trading activity on behalf of the College including commercial letting and sales from the school's cafe.

Ardingly Projects Limited had a turnover of £1,007,774 (2021: £778,145), gross profit of £662,507 (2021: £527,038), and a loss before tax and gift aid of £151,518 in the year ended 31 August 2021 (2021: loss of £225,084). At 31 August 2022 the company had negative shareholder's funds of £764,087 (2021: negative £612,570).

Ardingly Projects Limited paid rent of £125,685 (2021: £129,750) and £310,593 employment cost recharges (2021: £575,040) to Ardingly College Limited during the year. Ardingly Projects Limited made a loss and therefore there is no gift aid payment to Ardingly College Limited. At year end, Ardingly Projects Limited owed Ardingly College Limited £1,003,687 (2021: £765,787).

The Company also owns all the share capital of Ardingly College International Limited, a company incorporated in England and Wales (Company Number 11540470). This company was incorporated on 28 August 2018 and carries out all activities relating to the setting up of educational partnerships with international schools.

Ardingly College International Limited had a turnover of £87,500 (2021: £70,000), gross loss of £47,362 (2021: gross loss of £37,280), and a loss before tax of £71,995 in the year ended 31 August 2022 (2021: loss of £68,687). At 31 August 2022 the company had negative shareholder's funds of £181,955 (2021: negative £109,960).

Ardingly College International Limited paid rent of £922 (2021: £nil) and employment cost recharges of £94,665 (2021: £89,255) to Ardingly College Limited during the year. At year end, Ardingly College International Limited owed Ardingly College Limited £248,710 (2021: £137,454).

Both subsidiaries have the same registered office of Ardingly College, College Road, Ardingly, Haywards Heath, West Sussex, RH17 6SQ.

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

30. Consolidated Statement of Financial Activities – Comparative figures by fund type

Year Ended 31 August 2021	Unrestricted	Restricted	Endowed	Total
	£	£	£	£
Income and endowments from Charitable activities				
School fees receivable	21,058,954	-	-	21,058,954
Ancillary trading income	1,023,187	-	-	1,023,187
Other trading activities				
Non-ancillary trading income	965,488	-	-	965,488
Other Activities	4,957	-	-	4,957
Investments				
Bank and other interest	359	12,421	-	12,780
Voluntary sources				
Grants and donations	399,161	353,623	-	752,784
Other Income	10,400	-	-	10,400
Other incoming resources				
Total Incoming Resources	23,462,506	366,044	-	23,828,550
Expenditure on:				
Raising funds				
Non ancillary trading	985,694	-	-	985,694
Other income generating activities:	-	-	-	-
Financing costs	536,020	-	-	536,020
Investment management	-	-	-	-
Fundraising and development	71,119	-	-	71,119
Total Deductible Costs	1,592,833	-	-	1,592,833
Charitable activities				
Education and grant making	21,867,927	173,442	-	22,041,369
Total resources expended	23,460,760	173,442	-	23,634,202
Net gains/(losses) on investment assets	256,063	-	4,085	260,148
Net income/(expenditure)	257,809	192,602	4,085	454,496
Transfers between funds	-	-	-	-
Other recognised gains/(losses)				
Pension scheme actuarial gains/(losses)	12,000	-	-	12,000
Net movement in funds for the year	269,809	192,602	4,085	466,496
Fund balances at 1 st September	15,863,275	613,962	268,666	16,745,903
Fund Balances at 31st August	16,133,084	806,564	272,751	17,212,399

ARDINGLY COLLEGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2022

31. ULTIMATE CONTROLLING PARTY

The Woodard Corporation Limited is the ultimate controlling party, a registered charity number 01096270, which is incorporated in England and Wales. Copies of the financial statements of the Woodard Corporation can be obtained from High Street, Abbots Bromley, Rugeley, Staffordshire, WS15 3BW. The accounts of Ardingly College Limited are included within the consolidated financial statements of the Woodard Corporation Limited.

32. RELATED PARTIES

As stated in note 31, Ardingly College Limited is a wholly owned subsidiary of The Woodard Corporation. An amount of £128,962 was paid during the year to Woodard Corporation by way of a levy to meet running costs.

The company also controls two subsidiary trading companies, Ardingly Projects Limited, and Ardingly College International Limited; the results of which are detailed in Note 29.

During the year the company was charged professional fees of £33,622 by Savills (UK) Ltd of which Guy Dixon is a Director and Professional fees of £31,440 by Knights Professional Services Ltd whilst Sian Champkin was a Partner and employee until 29th April 2022.

The fees were charged on an arm's length basis and no amounts were outstanding at year end. All conflicts have been recorded on Declaration of Interest forms and also at the start of relevant Governor meetings to be included in the minutes.

33. ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the financial statements, the directors are required to make estimates and judgements. The matters detailed below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported in the results of operations, financial position and cashflows. Accounting policies are shown at note 1 to the financial statements.

Actuarial assumptions in respect of defined benefit pension schemes

The application of actuarial assumptions relating to defined benefit pension schemes is incorporated in the financial statements in accordance with FRS 102. In applying FRS 102, advice is taken from independent qualified actuaries. In this context, significant judgement is exercised in a number of areas, including future changes in salaries and inflation, mortality rates and the selection of appropriate discount rates.

Provision for bad debts

Debts are provided for if not recovered within one term. Estimating amounts to provide against recovery of debts is a matter of judgement.

Depreciation, impairment and residual values of fixed assets

Judgement is exercised in estimating the residual values of fixed assets, the selection of appropriate rates for depreciation, and for matters of impairment.