

Registered number: 02792166
Charity number: 1018973

BIRKDALE SCHOOL
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

BIRKDALE SCHOOL
(A company limited by guarantee)

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BIRKDALE SCHOOL**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2023**

Governors

Mr P R Houghton, Chairman
Mr N A Birchenall
Mr E B S Bowles
Professor J F Dawson
Mr M O Dennis
Mr S J Drury (appointed 11 October 2023)
Mr L A Fanthome (appointed 12 June 2023)
Mrs E A Hetherington
Mrs A M Rees
Mrs S C Turner
Mr S O S Ushewokunze
Mrs K M Walker
Mrs H B Wragg (appointed 11 October 2023)

Company registered number 02792166

Charity registered number 1018973

Registered office 4 Oakholme Road
Sheffield
S10 3DH

Secretary and Bursar Mr R J Wade

Other Senior Staff Members Mr P C H Harris, Head Master
Mr C J Burch, Head of the Preparatory School

Independent Auditor BHP LLP
Statutory Auditor
2 Rutland Park
Sheffield
S10 2PD

Bankers HSBC Bank Plc
Unit 4
Europa Court
Sheffield Business Park
Sheffield
S9 1XE

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Solicitors

Wake Smith LLP
No. 1 Velocity
2 Tenter Street
Sheffield
S1 4BY

BIRKDALE SCHOOL

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GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Governors present their annual report together with the audited financial statements of the charity for the year 1 September 2022 to 31st August 2023. The annual report serves the purposes of both a trustees' report under charity law, and a directors' report and strategic report under company law. The Governors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Structure, governance and management**a. Constitution**

The School dates back to 1904. It became a charitable trust in 1965 and was incorporated as a charitable company under the Companies Act in 1993. The liability of its members is limited to £1 each by guarantee. Its Memorandum and Articles of Association govern the School, as last amended on 16 May 2016.

b. Governing Body

The Board of Governors is the governing body of the School. It is self-appointing and a Governor may serve for any term but subject to regular periodic review of their individual relevant skills, capabilities, active contribution and commitment to the objects of the School. The minimum number of Governors is 10 but in the event that the number falls below 10, the remaining Governors are empowered to continue to act as such for a period of not more than six months following the date when the number fell below ten and provided that there are at least five Governors. No Governor may receive any remuneration from the School but they may be paid all travelling, hotel and other expenses properly incurred by them in connection with the discharge of their duties. Governors who have children attending the School are charged full fees less any standard fee reduction prevailing at the time for which they are eligible, but with the exception of reduction by way of a bursary.

c. Organisational structure and decision-making policies

The Governors meet as a Board at least five times a year to determine the general policy of the School and to review its overall management and control, for which they are legally responsible. The Board has five supporting committees: Finance & Development, Academic Excellence, Rounded Education, Christian School and Senior Salaries. Each committee comprises a number of serving Governors and each reports to the Board. The Finance & Development Committee is chaired by Mrs S C Turner, the Academic Excellence Committee by Mrs K M Walker, the Rounded Education Committee by Professor J F Dawson, and the Christian School and Senior Salaries Committees by Mr P R Houghton. In addition to the committees, the Board creates ad hoc working groups from time to time to address particular tasks or projects.

During the year the School comprised the Senior School and the Prep School. The day to day running of the whole School is delegated to the Head supported by the Head of the Prep School and the Bursar. The Senior School has a Deputy Head (responsible for all pastoral matters) and a Deputy Head (Academic), who report to the Head. The Prep School has a Deputy Head, a Deputy Head (Academic) and a Head of the Pre Prep Department, who report to the Head of the Prep School. The Head, the Head of the Prep School and the Bursar attend all meetings of the Board and of its Committees, with the exception of the Senior Salaries Committee.

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GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)**d. Recruitment and training of Governors**

As and when necessary the Board of Governors, assisted by the Head and the Head of the Prep School, seeks out interested persons to serve on the Board who are committed to the objects of the School and who, following interview, are deemed to have the appropriate qualities and skills. New Governors are inducted by the Chairman and the Head into the workings of the School, including its Memorandum and Articles of Association. Governors are encouraged to undertake any relevant and necessary training, e.g. safeguarding, e-safety and finance, which may be provided in-house or by competent external bodies, such as the Association of Governing Bodies of Independent Schools.

e. Pay policy for senior staff

The Head, the Head of the Prep School and the Bursar are paid with reference to experience and skills, and prevailing market rates benchmarked against similar schools nationally. After appointment the remuneration is reviewed annually, taking into account performance. The judgement of performance is under-pinned by setting of objectives each year and review of achievement of the objectives at the end of the year. Review of remuneration for these senior staff is carried out by the Senior Salaries Committee.

Objectives, aims and principal activities**a. Principal Activity**

The School's principal activity is to be a family day school for children aged 4 to 18. Historically, this has been only for boys, but with a co-educational sixth form. However, the School is progressively becoming fully co-educational, with girls admitted into the Prep School from September 2021, and due to be admitted into the first year Senior School from September 2024.

Pupil numbers during the year were close to those forecast, with 542 in the Senior School and 207 in the Prep School; 752 in total (2022: 788).

On 31 August 2023 Birkdale School took control of S. Anselm's Preparatory School in Bakewell, a traditional preparatory school for children aged 4 to 13. Following months of careful discussion with the Trustees of S. Anselm's School, the governors identified an exciting opportunity for both school communities to come together during a time of rapid change in the independent education sector in order to deliver the best possible education across all three schools. The specified assets and liabilities of S. Anselm's School Trust Limited (now known as Stanedge Road (2023) Limited) were gifted to Birkdale School on the final day of the financial year, in effect combining the two schools to create a larger and substantial entity.

b. Objectives for the Year

The School's vision has three key strands:

- First, there is a clear and ambitious focus on academic excellence;
- Second, a major emphasis is given to a broad and rounded education tailored for each individual pupil; and
- Third, Birkdale is a caring Christian school that warmly welcomes pupils of all faiths and none.

The Committees of the Board responsible for these strands meet regularly to review performance and to develop strategies for improvement.

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GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Objectives, aims and principal activities (continued)**c. Public Benefit Aim and Intended Effect**

The public benefit aim of the School is to develop the full potential of its pupils within a Christian environment. In furtherance of this aim, the Governors confirm that they have complied with the requirements of s.4 of the Charities Act 2011.

d. Grant-making and Public Benefit

The School continues to offer a wide range of fee reductions. These comprise scholarships, bursaries, clergy discount, sibling discount and staff discount, which all widen access to the School. The bursaries are means tested and are up to 100%. The School actively and widely advertises the availability of its scholarships and bursaries. During the year, the total fee reductions were £1,432,332 (2022: £1,414,264), with means tested bursaries amounting to £909,436 (2022: £921,306). As reported in the annual census to the Independent Schools Council, 82 pupils were given a bursary, with the average level of support being 75%. Also during the year the School was pleased to extend 100% bursaries specifically to support four Ukrainian children who had sought refuge in the UK following the outbreak of war in their home country.

Every year the School community (pupils, parents and staff) raises funds for one or more chosen charitable organisations or activities, in the UK or overseas, through a variety of events and activities and a total of £16,500 was raised for UK charities during this year.

The School's longstanding relationship with Nepal started in 2000 with raising funds to support the Peace Garden School in Khokana, Kathmandu Valley. In the year ended 31 August 2001 the School raised over £16,500 and with these funds it completely rebuilt this 300 pupil school on land owned by the Peace Garden School. In March 2023 the School was delighted to be able to take 14 sixth form pupils to restart our annual trip to Nepal following a gap due to the Covid pandemic. The trip involves pupils teaching in the Peace Garden School and doing other support work either in this school or in the area.

During the year £3,160 was raised for the Peace Garden School and other charitable activities including financial and medical support for an orphanage and other operations in Nepal.

The School makes its sports hall available to both adult and junior groups in the evenings and at weekends throughout the year. The School also makes its assembly and other general facilities available to the public for a wide range of uses, including orchestra practices and church meetings. The charge made for use is always modest and, in some cases, free.

The School has a 125 year lease from Sheffield City Council on its sports fields at Castle Dyke. An agreed condition of the lease is to make the fields available to external users. Since acquiring the lease, the School has carried out significant improvements to the facilities, which are enjoyed by all users. Current external users include junior and senior football and cricket clubs, as well as a model aeroplane flying club. The pitch hire charges are modest and the model aeroplane flying club pays no rent and additionally has vehicle access onto the fields for disabled members.

The rent received from all lettings is ploughed back into the School's facilities, for the benefit of all users, and during the year amounted to £68,191 (2022: £65,304).

A well-developed Community Action programme allows Sixth Form students to engage with local primary schools, residential homes and other community institutions.

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GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Objectives, aims and principal activities (continued)

The School has developed a partnership with a local maintained sector primary school in a disadvantaged area of Sheffield, which sees around 20 Sixth Form students spending time in the school every Wednesday afternoon. The Head is a member of the board of the multi academy trust that oversees the primary school in question.

The School has a partnership with the Confucius Institute in Sheffield that allows students of all ages to participate in Mandarin classes as well as a range of cultural events.

The School hosts the Sheffield Historical Association that provides talks and events of historical interest to all members of the Sheffield community.

A large proportion of students engage with the Duke of Edinburgh's Award scheme at all levels and the volunteering aspect of this makes a significant contribution to the local community.

Each year the School's bands provide free performances at charity functions and at a local farm trust with a particular interest in the education of socially and educationally disadvantaged children. The School also runs an orchestral day for local maintained sector primary schools.

The School trains and inducts teachers at no cost to the State and during the year we supported four teachers through their ECT induction - two in their first year and two in their second year.

Finally, the Governors would like to note that the School, in educating 752 pupils outside the maintained sector, made a significant saving to the national public purse. According to Government data, the Dedicated Schools Grant for secondary schools in Sheffield for 2022/23 was £5,693 per pupil. On the basis of this Government data, the School saved the Exchequer £4.28 million in the year.

e. Volunteers

The Friends of Birkdale School (FOBS) continue to provide support to the School through fund raising events, raising over £14,000. Grants sought and made during the year totalled £4,350 (2022: £629) and the Governors would like to take the opportunity of this report to record their appreciation for the ongoing work of FOBS and its valued grants to the School.

f. Objects

The objects of the School are specified in the Memorandum of Association. The principal object is for the School to educate persons of school age with the specific aim of maintaining the School's 'existing tradition of Christian education and to continue to provide education based on the evangelical doctrine which emphasises the authority of the Bible in all matters of faith and conduct.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and performance

a. Key financial performance indicators

The key financial performance indicators are pupil numbers and the level of the School's net cash generated from operating activities. Both are compared to historical and budgeted levels, and forward projections are reviewed by Governors on a termly basis.

b. Operational performance of the School

On the academic front the A Level and GCSE results were received with much satisfaction by the Board's Academic Excellence Committee. These were as follows:

- At A Level, the headline grade percentages were: A*: 13%; A*-A: 39%; A*-B: 70%
- At GCSE, they were: 9: 19%; 9-8: 37%; 9-7: 55%;

The Board's Rounded Education and Christian School Committees continue to be pleased with performance in the year with the School musical and concerts showcasing pupils' drama and musical talents, and the School being a community where pupils are encouraged to explore the essentials of the Christian faith in an open and tolerant environment.

c. Development of the School

Additions to the tangible fixed assets of the School during the year amounted to £189,350 (2022: £147,074), the bulk of these comprising IT enhancements (both hardware and software) and refurbishment of the lower school common room. However, these figures exclude the gift of S. Anselm's school, which comprised gross assets totalling £4,342,119.

Financial review

a. Results for the year

There was a surplus for the year of £3,258,140 (2022: deficit £82,183). The net cash inflow from operating activities for the year was £203,727 (2022: £297,630) and cash in hand was £2,251,495 (2022: £2,271,526).

At 31 August 2023 funds totalled £14,711,053 (2022: £11,452,913), made up of unrestricted funds of £332,432 (2022: £1,413,748), designated funds of £14,267,922 (2022: £9,978,115) and restricted funds of £110,699 (2022: £61,050). These include fixed assets of £14,915,612 (2022: £10,554,858).

Of the surplus, £3,035,238 related to the gifting of assets to the school from S. Anselm's School Trust Limited (now Stanedge Road (2023) Limited) and this also contributed to the increase in fixed assets of £4,342,119 and reserves of £3,035,238.

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GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

b. Reserves policy

It remains the Governors' policy to invest surplus funds for the furtherance of the School's objects. From its annual budgets, termly management accounts and, most particularly, a rolling long-term cash flow projection, the Governors ensure that the School is able to meet its ongoing commitments.

The Governors consider that the School should hold sufficient free reserves to cover both unexpected events and to prepare for planned future development. With regard to the former, the Governors consider that the School requires a buffer against an unforeseen fall in pupil numbers, quantified at around 40 or some 5% of pupils. It has therefore, historically, been considered that an appropriate minimum threshold of free reserves was approximately 5% of total charitable income, namely some £515,000. For future development of the School buildings, which is now actively being pursued, free reserves in excess of £1 million will be required. At the year end the School had free reserves of £332,432 and the Governors consider that while this level was appropriate it is actively looking to build in advance of a forthcoming capital development programme.

c. Fixed asset revaluation

The Governors have considered the merit of adopting a policy of revaluing freehold land and buildings. Because of the requirement to have an independent valuation on a regular basis and the burdensome cost of such valuations, it was decided not to adopt a revaluation policy. However, the difference between the actual value of the land and buildings and the book value of the same continues to be recognised. From a fairly recent valuation of the Senior School and a prior valuation of some of the School's properties for the purpose of the commercial mortgage, it is clear that the current open market value of the School's land and buildings is at least the current book value.

d. Going concern

The Governors have prepared detailed forecasts of income and expenditure and cash flow until at least 31 August 2025 and have subjected these forecasts to reasonable sensitivity analysis, which shows that the charity has sufficient reserves to be able to continue in operation throughout this period. The Governors will continue to monitor the impact on income and take appropriate action as necessary in order to ensure that the charity can continue in operation for the foreseeable future. Therefore, the Governors are satisfied that it is appropriate to prepare these financial statements on the going concern basis.

e. Risk management

The School has a corporate Risk Register which is periodically reviewed. The areas of risk to the School that have been identified are: Strategic, Law & Regulation, Governance & Management, External Factors, Operational, Human Resources, Environmental, Technological, Academic and Financial. The risks are scored on likelihood and impact. For all risks mitigating control measures are identified, as well as any necessary further action.

The Governors are mindful of the current cost of living crisis, including the costs of energy, which affects the medium-term economic outlook. These are expected to impact both pupil numbers and our parents' ability to pay. The Governors are making plans to be able to support parents, and continue to offer good value in the provision of education to prospective pupils ensure that the school's finances remain robust. The Governors will continue to monitor the situation carefully and take whatever protective action is necessary to safeguard the School.

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GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Plans for the future

The Board is delighted with the School's progressive transition to becoming fully co-educational. At the date of this report, there are 48 girls (2022: 40) in Birkdale Prep School, and this part of the School feels very much like a family environment for both girls and boys.

The focus for 2023/24 and beyond will be both the development of facilities in the Senior School and the integration of S. Anselm's into the Birkdale Family to ensure that Birkdale can deliver the best possible education across its three schools and its three areas of focus: academic excellence, rounded education and a Christian school environment.

Information on fundraising practices

The School does not actively fundraise for itself. Should the School at some point in the future undertake a specific fundraising campaign or start to generate more income through fundraising, the Governors will look to signing up to a voluntary fundraising code.

Statement of governors' responsibilities

The Governors (who are also the trustees and directors of the charity for the purposes of company law) are responsible for preparing the Governors' report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Disclosure of information to auditor

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the Governors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Auditor

The auditor, BHP LLP, has indicated their willingness to continue in office. The Governors will propose a motion reappointing the auditor at a meeting of the Governors.

In approving the Governors' report, we also approve the strategic report included therein, in our capacity as company directors.

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



Signer ID: LEELGRJ4K6...
Mr P R Houghton

Date: 25/03/2024 GMT

BIRKDALE SCHOOL
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRKDALE SCHOOL

We have audited the financial statements of Birkdale School (the 'charitable company') for the year ended 31 August 2023, which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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 governors' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the governors' report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRKDALE SCHOOL (CONTINUED)

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 governors' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 Governors

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

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRKDALE SCHOOL (CONTINUED)

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with management and governors, and from our knowledge and experiences of the independent schools' sector;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Charities Act 2011, Companies Act 2006, data protection, safeguarding, employment, health and safety legislation and Independent Schools Inspectorate guidance;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

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

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

A further description of our responsibilities is available on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

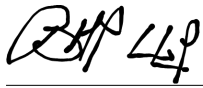
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRKDALE SCHOOL (CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.



Signer ID: WKOLTHN6RI...
Rachel Heath (Senior statutory auditor)

for and on behalf of

BHP LLP

Statutory Auditor
2 Rutland Park
Sheffield
S10 2PD

Date: 25/03/2024 GMT

BIRKDALE SCHOOL
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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	As restated Total funds 2022 £
Income from:					
Donations - Transfer of S. Anselm's School	4	2,970,589	64,649	3,035,238	-
Charitable activities	5	10,291,350	-	10,291,350	9,194,162
Other trading activities	6	83,177	-	83,177	75,643
Investments	7	5,793	-	5,793	695
Total income		13,350,909	64,649	13,415,558	9,270,500
Expenditure on:					
Raising funds	8	7,022	-	7,022	8,998
Charitable activities	9	10,135,396	15,000	10,150,396	9,343,685
Total expenditure		10,142,418	15,000	10,157,418	9,352,683
Net movement in funds		3,208,491	49,649	3,258,140	(82,183)
Reconciliation of funds:					
Total funds brought forward		11,391,863	61,050	11,452,913	11,535,096
Net movement in funds		3,208,491	49,649	3,258,140	(82,183)
Total funds carried forward		14,600,354	110,699	14,711,053	11,452,913

All income and expenditure derives from continuing activities.

The Statement of financial activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

BIRKDALE SCHOOL**(A company limited by guarantee)**REGISTERED NUMBER: 02792166

BALANCE SHEET**AS AT 31 AUGUST 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	14,915,612	10,554,858
		<hr/>	<hr/>
		14,915,612	10,554,858
Current assets			
Stocks	16	1,023	-
Debtors	17	646,544	601,288
Cash at bank and in hand		2,251,495	2,271,526
		<hr/>	<hr/>
		2,899,062	2,872,814
Creditors: amounts falling due within one year	18	(2,316,392)	(1,446,111)
		<hr/>	<hr/>
Net current assets		582,670	1,426,703
		<hr/>	<hr/>
Total assets less current liabilities		15,498,282	11,981,561
Creditors: amounts falling due after more than one year	19	(787,229)	(528,648)
		<hr/>	<hr/>
Total net assets		14,711,053	11,452,913
		<hr/> <hr/>	<hr/> <hr/>
Charity funds			
Restricted funds	20	110,699	61,050
Unrestricted funds			
Designated funds (including revaluation reserve: £720,986 (2022- £720,986))	20	14,267,922	9,978,115
General funds	20	332,432	1,413,748
		<hr/>	<hr/>
Unrestricted funds	20	14,600,354	11,391,863
		<hr/>	<hr/>
Total funds		14,711,053	11,452,913
		<hr/> <hr/>	<hr/> <hr/>

BIRKDALE SCHOOL

(A company limited by guarantee)

REGISTERED NUMBER: 02792166

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2023

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



Signer ID: LEELGRJ4K6...

Mr P R Houghton

Chairman

Date: 25/03/2024 GMT

The notes on pages 19 to 46 form part of these financial statements.

BIRKDALE SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	23	203,727	297,630
Cash flows from investing activities			
Bank interest		5,793	695
Purchase of tangible fixed assets		(189,350)	(147,073)
Net cash used in investing activities		(183,557)	(146,378)
Cash flows from financing activities			
Repayments of borrowing		(40,201)	(46,705)
Net cash used in financing activities		(40,201)	(46,705)
Change in cash and cash equivalents in the year		(20,031)	104,547
Cash and cash equivalents at the beginning of the year		2,271,526	2,166,979
Cash and cash equivalents at the end of the year	24	2,251,495	2,271,526

BIRKDALE SCHOOL**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. General information

The charity is a company limited by guarantee in England and Wales. The members of the company are the governors named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The charity meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared under the historical cost convention, unless otherwise stated in the relevant accounting policy. The financial statements are presented in sterling which is the functional currency of the charity, and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Going concern

The Governors have prepared detailed forecasts of income and expenditure and cash flow until at least 31 August 2025 and have subjected these forecasts to reasonable sensitivity analysis, which shows that the charity has sufficient reserves to be able to continue in operation throughout this period. The Governors will continue to monitor the impact on income and take appropriate action as necessary in order to ensure that the charity can continue in operation for the foreseeable future. Therefore, the Governors are satisfied that it is appropriate to prepare these financial statements on the going concern basis.

2. Accounting policies (continued)

2.3 Income

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

Fee income consists of charges billed, on a termly basis, less bursaries, scholarships and other discounts. Fees are recognised in line with the term to which they relate.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are any conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from trading activities includes income from extra tuition fees, the school shop and rent to raise funds for the charity. Income is received in exchange for supplying goods or services in order to raise funds and is recognised when entitlement has occurred.

Interest income is recognised as the charity's right to receive payment is established.

Transfer of S. Anselm's School

Assets and liabilities have been received by the charity by way of a gift. The transferred assets are measured at fair value and recognised in the balance sheet at the point when risks and rewards of ownership pass to the charity. An equal amount of income is recognised within donations and legacies income to the net assets acquired.

2.4 Expenditure

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

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

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

Charitable activities and governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

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

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Amounts less than this may be capitalised if part of a specific project. All costs incurred to bring a tangible fixed asset into its intended working condition are included in the measurement of cost.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost or valuation, net of depreciation, and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their residual value, over their estimated useful lives. The properties are being maintained to a high standard such that the values are not being eroded by the passage of time.

Depreciation is provided on the following bases:

Freehold	- 50 years straight line
Long-term leasehold buildings	- 50 years straight line
Motor vehicles	- 3 - 5 years straight line
Fixtures and fittings	- 10 - 25 years straight line
Equipment	- 5 years straight line
ICT equipment	- 5 years straight line

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets, is transferred annually from the revaluation reserve to the income and expenditure reserve.

Residual values

The charity owns a portfolio of freehold property which is held at cost/deemed cost. Depreciation has been provided in order to write off the cost/deemed cost of the properties to their residual value over their useful lives. During the year a review of residual values has been carried out. The residual value is the amount that the charity would currently obtain from disposal of an asset, after deducting the estimated costs of disposal. The current residual values are higher than net book value so that any element of depreciation would be immaterial. The trustees' will carry out annual impairment reviews to ensure the carrying value of the freehold property remains appropriate in comparison with residual value.

2.7 Refurbishment of property

In line with relevant accounting standards, where the governors identify that a trigger indicating impairment may have occurred, the carrying value of each property in the school's estate affected by the identified trigger is assessed for impairment by comparison with the greater of open market value and value in use. Where there are inherent difficulties in determining appropriate assumptions for establishing value in use in excess of open market value, open market value is used. Consequently, refurbishment costs on a property which would cause the net book value of that property to exceed open market value are taken directly to the statement of financial activities and categorised as investment in the property estate.

2. Accounting policies (continued)

2.8 Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

2.9 Stocks

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

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

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

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

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

2.13 Financial instruments

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

2. Accounting policies (continued)

2.14 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.15 Employee benefits

When employees have rendered services to the charity, short term employee benefits to which employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Termination benefits

Termination benefits are employee benefits payable as a result of the charity's decision to terminate an employee's employment before the normal retirement date. The charity recognises redundancy benefits when it is committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal.

Defined contribution pension scheme

The charity contributes to a defined contribution pension scheme for the benefit of the salaried non-teaching employees. The pension costs charged against net incoming resources are the contributions payable to the scheme in respect of the accounting period in accordance with FRS102.

Defined benefit pension scheme

The charity participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.16 Fund accounting

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

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

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

2.17 Taxation

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

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

Critical areas of judgment:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually.

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Transfer of S. Anselm's School	2,970,589	64,649	3,035,238	-

BIRKDALE SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Income from donations and legacies (continued)

On 31 August 2023 the assets and liabilities of S. Anselm's School transferred at their fair value and were recognised in the balance sheet under appropriate headings with the above corresponding net amount recognised as a donation. The transfer has been accounted for as a combination that is in substance a gift.

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	As restated Total funds 2022 £
Fee income	10,985,907	10,985,907	10,261,177
Discounts, bursaries & scholarships	(1,432,322)	(1,432,322)	(1,414,264)
Clubs income	40,695	40,695	35,716
Bus services income	102,563	102,563	75,168
Trip income	452,438	452,438	141,815
Other ancillary fees	142,069	142,069	94,550
Total 2023	10,291,350	10,291,350	9,194,162
Total 2022 as restated	9,194,162	9,194,162	

6. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	As restated Total funds 2022 £
Rent received	68,191	68,191	65,304
Sundry income	14,986	14,986	10,339
	83,177	83,177	75,643
Total 2022 as restated	75,643	75,643	

BIRKDALE SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Interest receivable	5,793	5,793	695
Total 2022	695	695	

8. Expenditure on raising funds

	Unrestricted funds 2023 £	Total funds 2023 £	As restated Total funds 2022 £
Other expenditure	7,022	7,022	8,998
Total 2022 as restated	8,998	8,998	

BIRKDALE SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	As restated Total 2022 £
Teaching costs	6,905,853	-	6,905,853	6,595,742
Welfare costs	1,001,198	-	1,001,198	945,517
Premises	559,179	15,000	574,179	710,197
Support costs (note 10)	957,104	-	957,104	748,156
Interest	34,399	-	34,399	18,224
Trip expenditure	452,438	-	452,438	141,815
Clubs expenditure	10,865	-	10,865	9,706
Bus service expenditure	121,510	-	121,510	102,156
Cost of generating ancillary fees	92,850	-	92,850	72,172
	<u>10,135,396</u>	<u>15,000</u>	<u>10,150,396</u>	<u>9,343,685</u>
Total 2022 as restated	<u>9,343,685</u>	<u>-</u>	<u>9,343,685</u>	

BIRKDALE SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs	Other costs	Total	As restated
	2023	2023	2023	Total
	£	£	£	2022
				£
Teaching costs	6,118,220	787,633	6,905,853	6,595,742
Welfare costs	116,142	885,056	1,001,198	945,517
Premises	-	574,179	574,179	710,197
Support costs (note 10)	603,433	353,671	957,104	748,156
Interest	-	34,399	34,399	18,224
Trip expenditure	-	452,438	452,438	141,815
Clubs expenditure	-	10,865	10,865	9,706
Bus service expenditure	-	121,510	121,510	102,156
Cost of generating ancillary fees	-	92,850	92,850	72,172
	<u>6,837,795</u>	<u>3,312,601</u>	<u>10,150,396</u>	<u>9,343,685</u>
Total 2022 as restated	<u>6,572,244</u>	<u>2,771,441</u>	<u>9,343,685</u>	

BIRKDALE SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Analysis of expenditure by activities

	Direct costs	Support costs	Total	As restated
	2023	2023	funds	Total
	£	£	2023	funds
			£	2022
				£
Teaching costs	6,905,853	-	6,905,853	6,595,742
Welfare costs	1,001,198	-	1,001,198	945,517
Premises	574,179	-	574,179	710,197
Support costs	-	957,104	957,104	748,156
Interest	34,399	-	34,399	18,224
Trip expenditure	452,438	-	452,438	141,815
Clubs expenditure	10,865	-	10,865	9,706
Bus service expenditure	121,510	-	121,510	102,156
Cost of generating ancillary fees	92,850	-	92,850	72,172
	<u>9,193,292</u>	<u>957,104</u>	<u>10,150,396</u>	<u>9,343,685</u>
Total 2022 as restated	<u>8,595,529</u>	<u>748,156</u>	<u>9,343,685</u>	

Analysis of support costs

	Total	Total
	funds	funds
	2023	2022
	£	£
Staff costs	603,433	604,124
Governance costs	26,358	13,948
Office costs	94,308	82,694
Legal and professional fees	121,063	33,690
Project fees	97,344	-
Other	14,598	13,700
	<u>957,104</u>	<u>748,156</u>

BIRKDALE SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. Auditor's remuneration

	2023	2022
	£	£
Fees payable to the charity's auditor for the audit of the charity's annual accounts	21,750	15,000
Fees payable to the charity's auditor in respect of:		
All non-audit services not included above	32,256	504

12. Prior year restatement

The prior year has been restated to recognise trip income and trip expenditure in the statement of financial activities. The effect of the restatement is to increase charitable activities income by £141,815 and increase charitable activities expenditure by £141,815.

There has also been a restatement of the clubs and bus services to relocate the income and expenditure from other trading activities to charitable activities. The effect of the restatement is to move £110,884 of other trading activities income to charitable activities income and move £111,862 of raising funds expenditure to charitable activities expenditure.

Neither of the restatements have any impact on the surplus in the year to 31 August 2022 and there is no impact to the net assets as at 31 August 2022.

Operating lease rentals have been restated to remove contracts for services as they do not meet the definition of an operating lease.

13. Net income/(expenditure)

	2023	As restated 2022
	£	£
<i>This is stated after charging:</i>		
Depreciation of tangible fixed assets:		
- owned by the charity	169,479	393,037
Auditor's remuneration	26,358	13,948
Operating lease rentals	250	250
(Profit)/loss on sale of fixed assets	1,236	139

BIRKDALE SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

14. Staff costs

	2023	2022
	£	£
Wages and salaries	5,276,470	5,081,783
Social security costs	544,896	527,613
Contribution to defined contribution pension schemes	1,016,429	962,848
	6,837,795	6,572,244

Agency and associated costs of £7,796 (2022 : £32,998) are included in wages and salaries above.

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

	2023	2022
	No.	No.
Teaching staff	102	97
Non teaching staff	68	76
	170	173

The average headcount expressed as full-time equivalents was:

	2023	2022
	No.	No.
Teaching staff	89	86
Non- teaching staff	47	50
	136	136

BIRKDALE SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

14. Staff costs (continued)

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	2	3
In the band £70,001 - £80,000	2	1
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-

The total amount of employee benefits received by key management personnel, including employer's pension and employer's national insurance, is £356,812 (2022: £343,402). The school considers its key management personnel to comprise of the two Heads and the bursar, detailed on page 1.

Total termination payments amounted to £nil (2022: £nil).

The governors neither received nor waived any remuneration during the year (2022: £nil).

There were expenses of £454 paid to one governor this year for mileage (2022: £nil).

BIRKDALE SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

15. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Fixtures and fittings £	Other fixed assets £	Total £
<i>Cost or valuation</i>					
At 1 September 2022	12,232,568	2,578,697	1,052,629	2,000,697	17,864,591
Additions	27,516	-	41,015	120,819	189,350
Transfer on donation	4,306,046	-	-	36,073	4,342,119
Disposals	-	-	-	(13,763)	(13,763)
At 31 August 2023	<u>16,566,130</u>	<u>2,578,697</u>	<u>1,093,644</u>	<u>2,143,826</u>	<u>22,382,297</u>
<i>Depreciation</i>					
At 1 September 2022	3,962,782	927,798	665,900	1,753,253	7,309,733
Charge for the year	-	51,716	32,640	85,123	169,479
On disposals	-	-	-	(12,527)	(12,527)
At 31 August 2023	<u>3,962,782</u>	<u>979,514</u>	<u>698,540</u>	<u>1,825,849</u>	<u>7,466,685</u>
<i>Net book value</i>					
At 31 August 2023	<u><u>12,603,348</u></u>	<u><u>1,599,183</u></u>	<u><u>395,104</u></u>	<u><u>317,977</u></u>	<u><u>14,915,612</u></u>
At 31 August 2022	<u><u>8,269,786</u></u>	<u><u>1,650,899</u></u>	<u><u>386,729</u></u>	<u><u>247,444</u></u>	<u><u>10,554,858</u></u>

The net carrying amount of assets held under finance leases included in freehold property is £248,171 (2022: £nil).

The land and buildings were valued at £3,375,000 based on open market values (except for Heeley Hall, which was assessed on the basis of depreciated replacement cost) on 1 April 1993 by Mark Jenkinson & Son, Surveyors and Valuers of Sheffield. Since this date all assets have been included at cost and the 1993 valuation has not been updated in accordance with UK GAAP.

BIRKDALE SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

15. Tangible fixed assets (continued)

The relevant historical cost information for land and buildings incorporating freehold property, freehold property improvements and long-term leasehold property as at 31 August 2023 is as follows:

	Land and buildings £
At cost	14,117,795
At revaluation, at 1 April 1993	720,986
At fair value, at 31 August 2023	4,306,046
	<hr/>
	19,144,827
	<hr/> <hr/>

If the freehold land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2023 £	2022 £
Cost	15,418,378	11,084,816
Accumulated depreciation	(3,536,016)	(3,536,016)
	<hr/>	<hr/>
	11,882,362	7,548,800
	<hr/> <hr/>	<hr/> <hr/>

16. Stocks

	2023 £	2022 £
Finished goods and goods for resale	1,023	-
	<hr/> <hr/>	<hr/> <hr/>

BIRKDALE SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Debtors

	2023 £	2022 £
Trade debtors	446,800	361,428
Other debtors	16,262	19,200
Prepayments	183,482	220,660
	<u>646,544</u>	<u>601,288</u>

18. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	42,777	48,095
Other loans	85,452	-
Trade creditors	251,480	35,363
Taxation and social security	173,387	129,950
Obligations under finance lease and hire purchase contracts (note 28)	73,843	-
Other creditors	461,061	339,445
Accruals and deferred income	1,228,392	893,258
	<u>2,316,392</u>	<u>1,446,111</u>

	2023 £	2022 £
Deferred income at 1 September	728,891	625,963
Resources deferred during the year	880,296	728,891
Amounts released from previous periods	(728,891)	(625,963)
Deferred income at 31 August	<u>880,296</u>	<u>728,891</u>

Deferred income represents fees received in advance.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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

	2023 £	2022 £
Bank loans	493,765	528,648
Other loans	256,159	-
Obligations under finance lease and hire purchase contracts (note 28)	37,305	-
	<u>787,229</u>	<u>528,648</u>

Included within the above are amounts falling due as follows:

	2023 £	2022 £
<i>Between one and two years</i>		
Bank loans	45,995	49,806
Other loans	85,452	-
	<u>131,447</u>	<u>49,806</u>
<i>Between two and five years</i>		
Bank loans	159,770	160,300
Other loans	170,707	-
	<u>330,477</u>	<u>160,300</u>
<i>Over five years</i>		
Bank loans	288,000	318,542
	<u>288,000</u>	<u>318,542</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2023 £	2022 £
Repayable by instalments	288,000	318,542
	<u>288,000</u>	<u>318,542</u>

The bank loan incurs interest at 2.3% above base rate and is repayable over 15 years. See note 31 for details of loan security.

The other loan is an unsecured loan incurring no interest.

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NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds

Statement of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2023 £
Unrestricted funds					
Designated funds					
Designated fixed asset fund	9,978,115	-	-	4,289,807	14,267,922
General funds					
Income & expenditure reserve	1,413,748	13,350,909	(10,142,418)	(4,289,807)	332,432
Total Unrestricted funds	11,391,863	13,350,909	(10,142,418)	-	14,600,354
Restricted funds					
Rudston School fund	60,000	-	(15,000)	-	45,000
Gillespie Gap Year	750	-	-	-	750
Sanderson Keyboard Prize fund	300	-	-	-	300
S. Anselm's School Library Fund	-	64,649	-	-	64,649
	61,050	64,649	(15,000)	-	110,699
Total of funds	11,452,913	13,415,558	(10,157,418)	-	14,711,053

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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2023

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2022 £
Unrestricted funds					
Designated funds					
Designated fixed asset fund	10,177,513	-	-	(199,398)	9,978,115
General funds					
Income & expenditure reserve	1,296,533	9,128,685	(9,210,868)	199,398	1,413,748
Total Unrestricted funds	11,474,046	9,128,685	(9,210,868)	-	11,391,863
Restricted funds					
Rudston School fund	60,000	-	-	-	60,000
Gillespie Gap Year	750	-	-	-	750
Sanderson Keyboard Prize fund	300	-	-	-	300
	61,050	-	-	-	61,050
Total of funds	11,535,096	9,128,685	(9,210,868)	-	11,452,913

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

20. Statement of funds (continued)

Designated funds

The designated fixed asset fund arises from the transfer of the assets of the former charitable trust to the charitable company upon its incorporation in 1993, less the balance on the mortgages held on these properties.

Transfers

The fund movements represent the movements on the fixed assets and the mortgage during the year from the general income and expenditure reserve to the designated fixed asset fund including £4,342,119 for the transfer in of S. Anselm's School.

Restricted funds

Rudston School fund. This is to assist children located in Rotherham to have access to attend Birkdale School. At the year end the fund balance is £45,000 (2022: £60,000).

The Gillespie Gap Year Trust Fund provides bursaries for successful applicants for their gap year projects. The fund balances now stand at £750 (2022: £750).

Sanderson Keyboard Prize Fund. This is a music prize fund to be distributed to students. At the year end the fund balance is £300 (2022: £300).

S. Anselm's School Library Fund. This was brought in on the transfer of S. Anselm's School. The fund was created to fund improvements to the S. Anselm's School library. At the year end the fund balance is £64,649 (2022: £nil).

21. Summary of funds

Summary of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2023 £
Designated funds	9,978,115	-	-	4,289,807	14,267,922
General funds	1,413,748	13,350,909	(10,142,418)	(4,289,807)	332,432
Restricted funds	61,050	64,649	(15,000)	-	110,699
	<u>11,452,913</u>	<u>13,415,558</u>	<u>(10,157,418)</u>	<u>-</u>	<u>14,711,053</u>

BIRKDALE SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

21. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2022 £
Designated funds	10,177,513	-	-	(199,398)	9,978,115
General funds	1,296,533	9,128,685	(9,210,868)	199,398	1,413,748
Restricted funds	61,050	-	-	-	61,050
	<u>11,535,096</u>	<u>9,128,685</u>	<u>(9,210,868)</u>	<u>-</u>	<u>11,452,913</u>

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	14,915,612	-	14,915,612
Current assets	2,788,363	110,699	2,899,062
Creditors due within one year	(2,316,392)	-	(2,316,392)
Creditors due in more than one year	(787,229)	-	(787,229)
Total	<u>14,600,354</u>	<u>110,699</u>	<u>14,711,053</u>

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 FOR THE YEAR ENDED 31 AUGUST 2023

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	10,554,858	-	10,554,858
Current assets	2,811,764	61,050	2,872,814
Creditors due within one year	(1,446,111)	-	(1,446,111)
Creditors due in more than one year	(528,648)	-	(528,648)
Total	11,391,863	61,050	11,452,913
		2023	2022
		£	£
Free reserves			
Current assets - unrestricted		2,788,363	2,811,764
Less current liabilities		(2,316,392)	(1,446,111)
Add back current liabilities re fixed assets		116,620	48,095
Add back long term deferred income		(256,159)	-
		332,432	1,413,748

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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

	2023	2022
	£	£
Net income/(expenditure) for the year (as per the Statement of Financial Activities)	3,258,140	(82,183)
Adjustments for:		
Depreciation charges	169,479	393,037
Bank interest	(5,793)	(695)
Loss on the sale of fixed assets	1,236	139
Decrease/(increase) in debtors	22,767	(137,096)
Increase in creditors	191,314	124,428
Transfer in of S. Anselm's School	(3,433,416)	-
Net cash provided by operating activities	203,727	297,630

24. Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash in hand	2,251,495	2,271,526
Total cash and cash equivalents	2,251,495	2,271,526

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

25. Analysis of changes in net debt

	At 1 September 2022	Cash flows £	Transfer of S. Anselm's £	At 31 August 2023 £
Cash at bank and in hand	2,271,526	(60,611)	40,580	2,251,495
Debt due within 1 year	(48,095)	5,318	(85,452)	(128,229)
Debt due after 1 year	(528,648)	34,883	(256,159)	(749,924)
Finance leases	-	-	(111,148)	(111,148)
	<u>1,694,783</u>	<u>(20,410)</u>	<u>(412,179)</u>	<u>1,262,194</u>

26. Capital commitments

	2023 £	2022 £
<i>Contracted for but not provided in these financial statements</i>		
Acquisition of tangible fixed assets	<u>42,113</u>	<u>-</u>

27. Pension commitments

Teachers' Pension Scheme

The charity participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff.

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. Membership is automatic for full-time teachers and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

27. Pension commitments (continued)

consultation are:

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

The TPS valuation for 2012 determined an employer rate of 16.48%, which was payable from September 2015. As a result of the latest valuation based on membership data as at 31 March 2016, TPS employees will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.08%).

The employer's pension costs paid to TPS in the period amounted to £932,254 (2022: £907,303).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website. The next valuation result is due to be implemented from 1 April 2024.

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

Defined contribution pension scheme

The charity contributes to a defined contribution pension scheme for the benefit of the non-teaching employees. The assets of the scheme are administered by trustees independent of the charitable company. The pension charge for the year includes contributions payable to this scheme of £84,175 (2022: £55,545).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

28. Operating lease commitments

At 31 August 2023 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Not later than 1 year	23,638	250
Later than 1 year and not later than 5 years	61,418	1,000
Later than 5 years	24,500	25,000
	<u>109,556</u>	<u>26,250</u>

29. Finance lease and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts, as seen above in notes 18 and 19, are as follows:

	2023	2022
	£	£
Not later than 1 year	73,843	-
Later than 1 year and not later than 5 years	37,305	-
	<u>111,148</u>	<u>-</u>

30. Related party transactions

Children of two current Governors, Mr N Birchenall and Mr S Ushewokunze, attended the School during the year. The children of Mr N Birchenall received scholarships. Total fees were £41,362 after scholarships.

Mrs C Harris, a spouse of the senior management team, was employed by the school with remuneration of £20,358 (2022: Mrs C Harris and Mrs P Burch were employed with aggregate remuneration restated as £23,397).

Mr C J Burch, Mr P C H Harris and Mr R Wade, members of the senior management team, have children who attended the school and were in receipt of a staff discount. Total fees were £4,485 after staff discount. There is also a deposit of £90 within creditors relating to Mr R Wade's children.

The spouse of Mrs H Wragg received remuneration of £305 for provision of sports equipment (2022: £nil). Other than the expenses disclosed in note 14, there were no further related party transactions this year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

31. Indemnity insurance

The charitable company has taken out professional indemnity and Directors' and Officers' Liability insurance.

32. Bank security

The bank loan with HSBC is secured by a debenture with first legal charges over the following properties:

Johnson Memorial Building, 4 Endcliffe Crescent, Sheffield, S10 3ED
Birkdale Preparatory School, Clarke House, Clarke Drive, Sheffield, S10 2NS
Grayson Building, 3 Endcliffe Crescent and 117 Ashdell Road, Sheffield, S10 3ED
Belmayne House, 99 Clarkehouse Road, Sheffield, S10 2LN
9 Endcliffe Crescent, Sheffield, S10 3EB